



RICCARDO CHIVINO

Fiat in Poland, Yugoslavia
and Russia as remembered by
Riccardo Chivino

Fiat in Poland, Yugoslavia and Russia as remembered by Riccardo Chivino

RICCARDO CHIVINO

**Fiat in Poland, Yugoslavia
and Russia as remembered by
Riccardo Chivino**

**Introductions by
Oddone Camerana,
Elisabetta Chivino and Paolo Bernardelli**



Oddone Camerana has been operating for many years in the world of large industrial firms where most of his literary works are set. Manager and writer he started working with the Fiat Press and Propaganda in 1962; in 1976 he became Manager of Fiat Advertising and Image and responsible for Fiat, Alfa Romeo, Lancia and Commercial Vehicles advertising strategies.

Elisabetta Chivino for more than twenty years has been the manager of one of the finest and most lively bookstores in Turin: the Campus Bookstore. The very intensive activity of meetings, lectures, seminars, exhibits made Campus a hub of Turin and Italian cultural life during those years and a reference in city life. After many years in Turin she now lives in her beautiful family mansion in the Canavese countryside with her dogs, cats and the big Czechoslovakian Wolfdog Roy.

Paolo Bernardelli joined Fiat in 1962 on the staff for General Affairs of Fiat's chairman Vittorio Valletta. In 1964 he moved to the Special Business Management Department dealing with Eastern European Countries and later to Fiat Trattori. Since 1981 he has been Vice-President Commercial Operations in Fiat Auto and subsequently in Fiat-Lancia Division. In 1990 he became CEO of Fiat Geotech and then Senior Vice-President International Operations in Fiat Headquarters. He ended his career as chairman of Fiat Ferroviaria.

Graphics and layout:
Fregi e Majuscole, Turin

Translation by:
Verto Group Srl

© Chivino family
Printed in 2014 by Fiat Group Marketing & Corporate Communication S.p.A.
Cover logo:
courtesy of Fiat Group Marketing & Corporate Communication S.p.A.

PREFACE

IN THE FOREST OF MEMORY

Making the texts left by Riccardo Chivino, who died in November 2006, available to readers is an invaluable and original contribution to what we know about Fiat from the end of the Forties to the middle of the Seventies through the memories of one of its most important managers.

Chivino's human qualities, his stature and his professional legacy are reflected in the words written by his daughter, Bettina, and by one of Chivino's principal colleagues, Paolo Bernardelli. Further recollections and documents by others will complete our picture of his work as an executive.

The texts collected in this book are also a unique account, as often happens with written memoirs which go beyond historical and – in this case – corporate documentation. Because Chivino, as well as being a capable negotiator, if for nothing else because he was able to work in the communist bloc during the years covered by this book, was also a talented writer. He had a writer's feeling of the value of memory, the feeling of urgency in pinning down a special detail that would be lost over time if it were not properly described, the details which bring facts to life, even if they are a mere evocation of a single sound. As an example we see that after Professor Vittorio Valletta died in 1967, when the small cortege formed inside the gates of the Monumentale Cemetery in Turin, and – says Chivino – “we walked quickly, in silence. Avvocato* Agnelli limped slightly on the gravel...”.

Chivino also had a writer's human curiosity for asking questions that relate to the political and social situation of the time, such as the environment in which the definitive details of the Fiat-Soviet Union agreement for the Togliattigrad plant were settled. This was a step that was full of political significance: “At Fiat there was hope that things would turn out positively amongst those who had taken part in the work, either

* Giovanni Agnelli was most widely known in Italy as Avvocato Agnelli, referring to his Law degree (translator's note).

directly or indirectly. There were a lot of reasons why we were hopeful. I had many: I would see Moscow again and get to know it better, perhaps Leningrad too; I would see endless birch forests, lakes and other rivers. I would see the people, and would try to understand if communism has changed them in their deepest nature". This extract shows how this man from Canavese, a follower of Gobetti, a pupil of Professor Luigi Einaudi, an anti-fascist, a member of the Party of Action, a friend of Aurelio Peccei, a farmer and animal breeder, could also be a great lover of nature, of trees and forests, someone who saw in the Vistula, the Danube and the Drina not just as a chance to go fishing, but also as rivers, as "bearers of history". Chivino continued to write, returning to the subject of memory, that History "will be influenced by new technologies, new market demands, new agreements [...]. Technical and financial data will survive, logged in the factory archives, but the human, social and political events behind them will fade away, even from the memory of those who experienced them", commenting on the agreements made in Poland when the pre-war relationship which had led to the creation of Polski Fiat to produce Fiat vehicles – known generically as *Balillas* – had started to dissolve.

The text is divided into three parts since that is the number of countries in which Fiat had post-war agreements: Poland, Yugoslavia, Russia (Warsaw, Belgrade, Kragujevac, Moscow). A text which builds into a crescendo that culminates in the contract which would see the creation of the Togliattigrad factory, the city born in "this Russia, tsarist and bolshevik, (where) the vastness of its lands, forests and waters turn the events and people who inhabit it into giants".



Fiat-USSR Agreement 1966: at the table Alexandr Mikhailovich Tarasov (left), Vittorio Valletta (right); standing Riccardo Chivino (right) and next to him Engineer Gaudenzio Bono, Giovanni Agnelli.

The text is a rich tapestry of observations, flashbacks, appearances, facts, data, places, people, different situations, bringing them all together, under the shadow of the historical events we have already mentioned and the competition from the French car industry, backed by De Gaulle in person.

In a timespan of over twenty years, there are numerous problems, tensions, doubts, questions and conflicts to review. Starting from the people involved in the decisions: besides Gianni Agnelli and Professor Valletta there were Piero Savoretti, Gaudenzio Bono, Vincenzo Buffa, Carlo Cavalli and others, while on the opposite side of the table we find the Serbian Aleksandar Ranković and the Soviets Aleksej Nikolaevič Kosygin, Jermen Gvishiani, Vladimir Sushkov - the head of the general staff of the Ministry for Foreign Communication, who would later become a minister - the Automobile Industry Minister Alexandr Mikhailovich Tarasov, and others.



*Riccardo Chivino
(in foreground) on a visit
to Togliattigrad, 1970.
Behind him Engineer
Butko, President
of Autopromimport.*

The vehicles involved in the licences and agreements were the 1500 in Poland, the 1400 and the 615 light truck in Serbia, and the 124 in the Soviet Union.

Should we accept barter payment in coal? That is one of a number of problems on the negotiating table. Business trips, postings, meetings, delegations, receptions, negotiations, waiting, exchanges of gifts, formalities, misunderstandings, contract drafts, contract writing and re-writing: a mass of facts and events while, above all as far as Yugoslavia is concerned, the background political and social situation was still settling down after the Italian-Yugoslavian border dispute. Problems which had never been completely resolved in a long-suffering land like the Balkans, which would later make Chivino say in a different – but equally unstable – situation “black clouds have cast those lands into shadow. Looking back to the people I met on the banks of the Danube and its tributaries over the course of thirty years, even my mind becomes overcast: thoughts pile up, refusing to believe the events are possible”.

These words are from 1996, thirty years on from signing the contract with the Russian authorities to set up a factory on the banks of the Volga to produce the 124, also known as the *Žiguli* from the name of the hills. Chivino - having left Fiat in 1988 – was with other survivors for a memorial ceremony, and recalled the men from those times, many of whom possibly still remembered a restaurant specialising in cheese in the hills above Turin, la Trattoria della Posta.

In the forest of the memory: upon finishing the short text left by the author, one has the impression of emerging from a forest through which he had led us along narrow paths, to then appear into the light of clearings and open spaces, between flashes of light and miracles worthy of an industrial fairy-tale, like the time when gusts of hot air from aeroplane engines were used to warm the cement of the factory walls and speed up the setting process in the frozen Russian winter. Visionary moments arising amongst those who, like the author, understood the penetrative force of industrial products which “make history”. Because this is what was happening in those years in which in great secret, in areas beyond the Iron Curtain, the West and the East were meeting, and Marxism and capitalism were becoming closer than could have been believed. Without this, the strange scruple, that verbal reserve by which words like “communism”, “democracy” and “strike” were forbidden and were never used by the members of the delegations, would not have made sense.

ODDONE CAMERANA

COMING HOME

Daddy was born in May 1914, at Vestignè, in a large house in the Canavese style, on the hill below the castle of Masino – the same house where I also later lived.

His mother was Maddalena, and his father Giuseppe: names which have been passed down in the family.

As the only son, he was spoiled, practically worshipped (when he was small, but also later) by his mother and his two aunts on his father's side.

Daddy developed a fanatical attachment to plants from a very early age: they managed to send him to kindergarten only by suggesting he guarded a large maple tree in the schoolyard. Indeed, when he grew up he planted trees over half the Canavese area. Perhaps even more than half.

His childhood was certainly simple, but it was full of love. It lived long in his heart and he remembered it with great affection. Sometimes when he told me about those years, about silent snowy Christmases with two mandarins and two cakes for presents, of summer nights lit only by the stars, or winter bedrooms warmed only by embers, I felt as if a film by Ermanno Olmi was playing out in front of my eyes.

He hated being sent to Ivrea to attend secondary school as a boarder at the episcopal school. Obviously there were no schools at Vestignè. Daddy suffered incredibly through those years. He missed home, the priests were very strict, the work was hard, there wasn't much food, they were so cold they practically froze (he remembered having to break the ice in the washbasin in his room in order to wash) and he was only allowed home twice a year: one day at Christmas and one at Easter. All this certainly forged his strength: Daddy's health was as strong as steel throughout his life. He also did the final years of secondary school at Ivrea, and then signed up to read medicine to keep his father happy, but he couldn't put up with it for more than a year – he just didn't have the spirit for it – and so he decided to study law. At the same time as

his university studies, he also did military service. He was 20 years old, but when I look at photos from that time, he looks like a more mature man. Physically he was tall and very thin, which would seem odd to those who met him in later life. Wavy hair and a aquiline nose, with a beautiful smile.

He studied for his degree under Luigi Einaudi. After graduation he decided to become a lawyer and went to do work experience at the practice of a Turin lawyer. These were happy years for him, he liked studying law and often went home where he continued to enjoy the undisputed adulation of his mother and aunts.

He was very attached to his father, and it was a great blow to lose him when he was barely twenty. He could never talk of him without becoming emotional, even many years later.

The year 1938, however, changed his life: on the advice of Cesare Torazzi he applied to join Fiat. The first years were difficult: he found the things he had to do neither interesting nor stimulating.

In those years he became engaged to Mummy. She also worked at Fiat, as an interpreter (Mummy was from France and was perfectly bilingual). What could ever have brought together two such different creatures I will never know. Mummy was gentle and fragile, while Daddy was already decisive and solid as a rock. Daddy loved her throughout his life, it was a bond that never had the smallest rift. He was an idol to Mummy, and he responded with a fixed and constant affection that I have never seen elsewhere.

It was at this time, the Forties, that Daddy met Mr Cosmo, who introduced him to Justice and Freedom. It would become one of the fondest memories of his life. (He asked me, when very old, to be buried with the Justice and Freedom flag). He would go regularly to Gobetti's old house, and meet people he greatly admired. He became deeply attached to Aurelio Peccei, a friendship which lasted throughout his life.

Because of his anti-fascist inclinations and some events that had compromised him, he had to leave both Fiat and Turin quite suddenly in 1943, when he took refuge with Mummy in Rome. They escaped at night, with just a small suitcase that had been packed in an enormous rush. In Rome they found shelter in the home of generous people who put them up without even knowing them; they hosted them because of the interest taken by the Vatican, which during those tragic times was helping people wanted by the fascist police, Jews and others, providing the addresses of Catholic families who offered to hide the wanted in their homes. The risk was enormous. Their bravery moves us to this day.

Daddy recalled the constant fear of that time, the secret Party of Action meetings, the anguish when he lost a close friend at the Ardeatine Mas-

sacres, the constant hunger, Mummy, who was pregnant at the time, queueing for hours for a piece of bread. And he, who would nevertheless always be a reference point between Fiat and the Party of Action.

One of his memories: Ugo La Malfa, in Rome, shortly before the Allies reached it, with his hair ruffled by the wind who walked with Daddy through the city streets anxiously asking him – and asking himself: “What do you think, Chivino, shall we rise up or not?”

In May 1945, Maria Maddalena, his first child was born, a beautiful rosy blonde baby girl with sky-blue eyes; Daddy would always remember that day with great joy.

Then the Anglo-Americans arrived. And that says it all: life could start again.

Daddy was a member of the committee to supply Rome after the Germans had left, I can't remember what it was called, I just remember that he had contact with the American officers and that he took charge of ensuring that truckloads of food reached the city. Then northern Italy



*Riccardo Chivino
with his wife
and his daughters
Maddalena
and Elisabetta*



Chivino family's mansion in Maglione Canavese.



The mansion's garden.

was finally liberated, and Mummy and Daddy went home with their daughter. It was the end of 1945.

They immediately went to live at Vestignè and Daddy returned to Fiat at the beginning of 1946.

In those first years he travelled a great deal, long stays which were sometimes for a whole year, in Poland, Yugoslavia, Turkey. And from then on... his great devotion to Vittorio Valletta, Fiat's Special Business Department, contracts with the East, with the United States, Fiat Tractors, Impresit and all the rest, all things that will be best followed from the Fiat archives than from my memory. I just remember that for my family the word "holiday" was rare, but "study" and "duty" were not!

So we sisters saw very little of Daddy: he was always working. But we knew he was there for us, and his attention, even though it was rare, was always a gift. Then when Mummy died, I grew increasingly close to him and we got to really know one another. Daddy told me a lot about his life and his work, and I could recount thousands of things, but they would all be disorganised in terms of when they were, and badly remembered. Daddy always stressed the human aspect in his stories, and it was amus-



Riccardo Chivino and his dogs in the mansion where he lived until his death.

ing to listen to him. Then, until late in the evening, he would dictate his memoirs to me with a prodigious memory (until I, with my lesser powers of resistance, would slump onto the table, despite the “midnight coffees”, as we called them). He never tired, and stayed up to chat until two or three in the morning. Everything interested him: I remember reading him an incredible mix of books, from Einstein to Marx, from Plato to *How to grow courgettes*.

He never let the loss of his sight weigh on him.

He left Fiat in 1988. He also left his house in Turin and moved to his country house in Maglione where he lived until his death.

A house, not a villa or a palace, that wouldn't have been in his character. A beautiful house covered in ivy, with Georgian-style windows, surrounded on all sides by acres and acres of land, which were tended with competence and love.

That is how Daddy's final years have stayed in my memory: hours and hours spent walking the dogs, summer nights speckled with stars, long nocturnal chats against a background of croaking frogs.

These were peaceful years. He enjoyed his land, the things he planted, his animals. He moved to the sea for a few months each winter. He went for long walks every day with his much-loved dogs, only using a stick in the final years. He tended and loved all the plants (and there were lots of them!) on his land: he had a profound knowledge of nature and its cycles.

He was very interested in politics, and he kept up to date with newspapers and the radio, and he loved to discuss them. He got worked up quite often. When people went to visit him, his standard question was: “How do you think the world is going today?” And it was advisable to always come prepared.

He died in November 2006, aged over ninety, but having never lost his curiosity and mental acuity.

It was unquestionably a privilege to have been his daughter.

ELISABETTA CHIVINO

A PIONEERING STYLE

A Fiat company car is travelling fast down the motorway, heading to Milan, Brescia, Verona and Trieste. A chauffeur is at the wheel, sure and silent in the heavy traffic; his name is Minoia. Sitting next to him is a solidly-built, middle-aged man with a serious face which commands respect and obedience, and also conveys trust and calm. It is Riccardo Chivino, the president of Fiat Trattori, who in the past was director of the Fiat's Mechanised Agricultural and Special Business Divisions.

The author of these memoirs is in the back seat.

It was 1976. The destination was Ljubljana, in Slovenia. Chivino was travelling to personally resolve a problem which had arisen in those years. To understand this, we have to go back a few years. Fiat Trattori had granted a manufacturing licence for its small-wheeled farm tractor to one of the most important steel plants in Yugoslavia, Store in Slovenia, which wanted to diversify by beginning production of a farm tractor to be sold on the domestic market, where it was much needed.

But after the deal was signed, things did not proceed at the pace they should have. Bureaucratic delays, a lack of sensitivity to the new work from personnel who were not very motivated and a lack of financing hindered the beginnings of the new project.

The problem was brought to Chivino's attention, and he was asked to intervene. He agreed, and decided to travel to meet an important figure in the Belgrade central government who he knew personally, who had played an important role in the war of liberation from the Nazis during the Second World War.

The meeting took place, the situation was resolved and the project could proceed as planned.

Chivino was able to carry out this mission because he had personal prestige and authority beyond that which stemmed from his job title, but also arising from his background.

Born in 1914 in a delightful little village in the beautiful Canavese countryside, in the shadow of the mighty Castle of Masino which dominates the area, he had grown up and gone to school in Ivrea, and had then studied at the Law Faculty of Turin University. He was a pupil of Luigi Einaudi, from whom he learnt the great lesson of freedom. Finishing his degree half-way through the Thirties and having given up the idea of setting up on his own, he opted to join Fiat, to get settled into a job which would bring him into contact with how things worked in places which were a world away from the small-scale local business of a fundamentally urban profession.

He became part of a management group that was extremely well-known, almost to the point of being considered elitist: Special Business Management, which was staffed by people who were particularly well equipped to deal with negotiations and deal-making with foreign countries, including very distant ones, which did not follow the rules of normal commercial distribution and often did not conform to the Western way of doing business.

After the Second World War, this group was extremely successful in countries in the part of the world which found itself under governments which did not allow the use of traditional company organisational techniques.

Put simply, all command economies with their totalitarian regimes and without any private businesses, wanted – and thus insisted on – meeting a single point of contact who represented the entire company in their negotiations.

This principle of the single point of contact, who was in charge of the entire deal and subsequently of executing the contractual agreements which had been made, had become so established that Fiat created a specific body to coordinate all the various company functions which were involved in drawing up and carrying out extremely complex contracts such as, for example, the granting of manufacturing licences for technologically sophisticated products, or the creation of turnkey plants.

Following Fiat's first steps in the world, it is important to recall that the company, since its very beginnings, had become known for the internationality of its approach in world markets, because – rather than taking the easy option – it immediately chose the long-term approach to generating important export volumes. And that was because Fiat realised its domestic market was far from sufficient to justify its production development programme, which was nevertheless vital to produce the volumes and generate the economies of scale which over time would bring it success in Europe and North America, which were so keenly embracing the adventure of the automobile.

It is interesting to see how from the earliest days of the 20th century, Fiat was already present in all of the most important countries of Europe, from France to Germany, to the United Kingdom and even in pre-revolutionary Russia, and the Americas, reaching the United States – the heart of the car world – in 1902. Over time it would skilfully deploy the various organisational formulas which it had at its disposal, such as using its own agencies, directly-held branches, licensing companies, and even local assembly plants.

Returning to the period after the Second World War, we should remember that Special Business Management, which was in charge of all sales outside the normal distribution channels, was also responsible – to help the closure of difficult deals – for deciding whether to accept alternative payment methods, such as exchange goods, thus taking on the enormous risk of not being able to sell them on for as much as had been expected when the contract was signed.

However it was definitely a result of these very risky operations –



Fiat-ZCZ Agreement 1968 signed by Engineer Gaudenzio Bono (right) and Engineer Prvoslav Raković (left).

which always turned out well – that Fiat could close some important deals in those years, with significant profits for the company.

The Special Business Management team, now led by Riccardo Chivino, was the only body in Fiat which was supposed to, and was authorised to, carry out these negotiations.

Chivino was still very young – barely in his thirties – but in his role as departmental head he planned a massive project to penetrate those countries which, because of the dramatic split between two conflicting and opposing blocs, were almost unreachable if they belonged to the eastern area.

Despite the opposition of the two sides, which lasted for many years after the end of the war, thanks to the ideas and will of those who felt that only secure and lasting peace could allow the re-institution and relaunch of social, political and economic relationships, ideological obstacles were overcome and people began to find ways to work together, leading to the gradual creation of the constructive spirit which characterised the era of “detente”.

Riccardo Chivino was certainly a great supporter and promoter of this extremely important process of overcoming the barriers which had arisen in the post-war period.

At the end of the war, Fiat was still functioning and very much in business. This was thanks to the ability of its managing director, Vittorio Valletta, who had succeeded in saving the company from both the danger of destruction by the Nazi forces and by the Allied bombing of northern Italy.

In the last two years of the war, from 1943 to 1945, Riccardo Chivino had left Fiat, at least officially, and in a great hurry had managed to hide in Rome to avoid being arrested by the fascist government at Salò. He definitely took part in the clandestine struggle of the newly-formed Party of Action at that time; indeed he continued to be a lifelong friend of Aurelio Peccei and always had a lively relationship with Ugo La Malfa. Peccei and Chivino represented important reference points for the anti-fascists at Fiat at that time.

The failure of the party in the 1946 elections deprived Italy of a number of people with great ability, who would certainly have been able to help radically renovate the country’s political-cultural structure.

Returning to Turin at the end of the war, Chivino went back to the same department at Fiat where he had started working at the end of the Thirties.

As well as restoring the normal exports to Western countries, Fiat, thanks to Special Business Management – which was now led by Chivino – immediately started to look for opportunities to restore contact with

countries which would become the Eastern European bloc, and which were already under the influence of the Soviet Union.

They first turned to Poland. Fiat had opened a subsidiary there called Polsky Fiat in 1920. It was the Twenties when, with a widespread network, Fiat had covered the whole of Europe and the Americas with directly-held branches, licensing companies and local assembly subsidiaries.

After the tragic events of 1939 which had seen Poland broken up between Nazi Germany and the Soviet Union, entailing the practical disappearance of the country, the end of the Second World War saw the birth of a new Poland – although from 1947 it fell under Soviet influence.

For many years the leader of the Polish government was Władysław Gomułka, a promoter of the “Polish path to socialism”, who also over the years tried to emancipate the country somewhat from Soviet control. In 1956 there was a popular uprising against the government, which gave rise to the “Polish October”, but Poland never managed to enjoy real autonomy until the upheavals which changed the path of the Soviet Union. The principal events in Poland were the fall of Gomułka in 1970 and the birth of Solidarity, the first independent trade union in the communist zone, and a group which would play such a large part in determining the course of Polish politics and which influenced the whole communist area.

In the years immediately after the war, the Polish government declared its intention to equip itself with a national car industry and asked Fiat if it was willing to discuss the issue. The first talks with Poland, in 1949-50, thus began. Special Business Management was the main representative.

Fiat created a complete project and – on the Polish side of the table – negotiated with the state organisation for industrial relations, Pol-Mot, and the Warsaw industrial complex Fabryka Samochodów Osobowych, then better known as FSO.

The negotiations and the creation of the project took from May 1949 to January 1950, and they had great impact, both inside Poland and abroad.

The first project outline, dated 12th December 1948, said that on the basis of “what was agreed in the meetings of 22nd and 29th September 1948 with the gentlemen of the Polish Delegation and what has been established by the Work Development Programme, the present Project Outline is working on an annual output of 18,000 cars of the *1100 B* type, in two daily work shifts of eight hours each” and included: “a mechanical workshop, a bodywork workshop, a hardware workshop, a parking area for the goods wagons and the company cars, a boiler room and an electrical transformer room, the main offices” (with all the services of a company that produces and sells) right up to “industrial accounting and costing, personnel, legal expenses, various laboratories, a general archive, a mail and telegraph room, etc.”. What was not included were

the foundries and the forge, the railway links, the connections with various energy sources and the land on which the factory was to be built.

Basically Fiat had prepared a very complete project, which was well put together and provided an exhaustive answer to the Polish requests.

The local press gave a great deal of space, and importance, to the project. An article of 4th August 1949 in a Warsaw daily announced that

at Zeran, just outside Warsaw, the first car factory in Poland is rising. There are already 1000 workers and 300 young people from the Service Organisation for Poland at work on the land where the huge buildings will be constructed. The number of workers grows daily [...]. The automobile factory will also have some magnificent social institutions including: a centre for mothers, a youth centre, a nursery, a professional school and a centre for culture and sport.

The article ended with the announcement that the production would be 10,000 cars a year in two shifts. The downsizing of the project had already begun.

Indeed, unfortunately Poland did not have sufficient finances to fully implement the project, which was very ambitious for the time. So during 1949 the Polish side acknowledged the situation and formally declared that the project “was declined by the Polish side because of the economic impossibility of pursuing it”.

The first very important step taken by Fiat in Poland ended in this way, but the door had been left open for future initiatives. The Polish government was very happy with the way that Fiat had acted, both in answering their call for collaboration with such a solid project, and for having understood and accepted the reasons which meant they were unable to carry it out at that time.

Indeed, many years later the talks would start again on new projects, which would first lead to Fiat licensing FSO to build the 125 car, and many years later to the construction of the FSM plant at Bielsko-Biala for the 500 car, with the model exclusively allocated to Poland until 1991, when the privatisation process began in Poland, and Fiat decided to buy FSM and integrate the facility in its own production process.

But to follow and understand the boldness of Fiat’s expansion process in the post-war years, we have to look at other deals which also show the company’s ability to deal with political models which were radically different from those of the Western world.

We are at the beginning of the Fifties. Italy had ended the war with numerous problems, including resolving its eastern border: the Trieste and Istria issue. The 1947 Paris Conference had sanctioned the creation of the Free Territory of Trieste, under United Nations control.

This temporary solution was to be maintained until October 1954 when Trieste was definitively assigned to Italy at the Treaty of London. The previous years, however, had seen great tension throughout the territory, with nationalist and irredentist unrest and brawls which threatened the peace.

The new autonomous region of Friuli-Venezia Giulia was born with the definitive hand-over of Trieste to Italy, which finally occurred in January 1963.

But we can easily understand how, back in the Fifties, the relationship between the two countries was not at all easy. Despite that, it was also the time when Fiat managed to start up one of the most long-lasting and important partnerships of its industrial history.

Let us go back to 1953, and return to Kragujevac. Serbia had a very old arms industry, which dated from the mid-19th century and the times of the Habsburg Empire. That year, on 26th August to be precise, in that company, in communist Europe – which had chosen to run the company with the socialist self-management system – there was a referendum amongst the workers on a very important decision: whether or not to diversify into automobile production, which was then non-existent in



The Yugoslav Federal Deputy-President Aleksandar Ranković (left) leads the inaugural visit to the Kragujevac plant, with the vice-president Giovanni Agnelli representing Fiat, 1962.

Yugoslavia. A tender process was launched as a result of the need to find a partner with whom to create the new plant, a tender in which many Western car firms took part, including Britain's Rover and Austin, Renault from France, and Italy's Alfa Romeo and Fiat.

Fiat managed to win the tender and so the next year the real negotiations began. At that stage, the Yugoslav firm changed its name to Zavodi Crvena Zastava ("Red Flag Factory").

As in other cases, the Special Business Department led by Chivino conducted the talks from the beginning. The first models built from 1955 were the *AP 55*, the *1100 B*, the *1400 Berlina BY*, which were later followed by other vehicles built under licence, and others of their own design, such as the *Zastava 750*, which would become a real success: exported to many countries around the world, it stayed in production until 1985.

We can end this brief recollection of the work in Yugoslavia by concluding that this project again showed Fiat's ability to work on complex collaboration projects and to reply both thoroughly and convincingly to the requests made by the country which had put out the invitation to tender. Fiat then managed to convey during the talks that sense of mutual trust which was absolutely vital to ensuring the success of very complicated operations and which depended on the ability to understand the human aspects of the deal.

From this point of view it is undeniable that, as well as outstanding business skills, Chivino also possessed a highly developed human touch that enabled him to always create a wonderful feeling of understanding between the two sides. He never failed to pay extremely close attention to the smallest of contractual details, yet also created an understanding that brought extra value to the deal, in the true spirit of how collaboration on an industrial project of this size should work.

At the end of April 1945 Soviet troops entered Berlin, and Germany surrendered unconditionally. The Anglo-American troops were arriving from the west. It was the end of the biggest conflict the world has ever seen.

Unfortunately, this time of apparent friendship between the two victorious powers – which in 1945 had seen Roosevelt, Churchill and Stalin sitting smiling alongside one another at Yalta – did not last long. Within a few years an increasingly bitter rivalry began between the democratically-governed United States and a Soviet Union which was already fixed as a totalitarian system.

Thus the long historical period in which Europe had bitterly fought

for the culture of nationalism came to an end, replaced by a system with two opposing blocs, separated by a barrier which Churchill called “the iron curtain”.

It was a system of world government that endured for a long time, over forty years, and which led to tensions – sometimes extreme tension – between the two blocs as they sought supremacy. On one side was complete faith in the laissez-faire system which extended to all areas of society, and on the other was an almost fatalistic faith in a communist system which, in their eyes, would solve all the problems which had existed for so long in the West, which was marked by frenetic industrial development. Put bluntly, on one side the United States, and on the other the Soviet Union: they sometimes clashed so harshly as to make people fear there would be a new and devastating world war.

Fortunately that didn't happen: good sense prevailed.

But the relationship between the two blocs, or between the two ideologies which supported them, was so difficult as to prevent any kind of constructive dialogue for many years. The emblem of this dispute was built in 1961: the Berlin Wall, symbolising the lack of communication between the two worlds.

In a climate of this kind it is easy to understand the difficulties that thwarted the efforts of those who tried to overcome the barriers which continued to divide, so as to finally reach long-lasting collaboration. But



Riccardo Chivino (first left) visiting Togliattigrad, 1970.

this process of coming closer could occur thanks to the determination of those – who were actually very few – who believed and dared to venture on a path as dangerous as this. Their courage was rewarded by great successes which decisively contributed to the detente process.

At the end of the Second World War, the Soviet Union was at the height of its power, but found itself with severe economic problems at home. Imbalances, in large part owing to the urgent needs of the war economy of previous years, had meant that there was a scarcity of mass consumption products, increasing the problems of a people who had been so hard pressed throughout the period that had just ended.

A reflection of this situation was the age-old lack of domestic cereal production, which meant that large swathes of the population risked going hungry, a situation which was solved – even when the conflict between the USSR and the West was at its worst – with huge grain supplies from the United States and the other countries in the Americas which had a large surplus.

In the West these were the years when car ownership boomed. The automobile was increasingly pushed as a consumer product, in the spirit of the undeniable need for individual mobility. Since it was seen as a product that contributed to development, governments could not ignore it.

The Soviet Union thus asked itself how it could develop a car industry, deciding not to be tempted by starting its own project, because it would have taken too long and was, unquestionably, bound to fail. The only certain and quick solution was turning to a reputed western firm willing to provide licences and technical assistance to implement this huge project, despite the difficult political situation.

The decision was made and the choice was Fiat, which had the right product for the Soviet market and had the advantage of the credibility which came from other deals made with other countries behind the iron curtain.

The talks were always surrounded by complete secrecy, and began at the start of the Sixties, when Khrushchev was still in power, and before Brezhnev took over in 1964.

A first taste of how things were in the Soviet Union in those times: Fiat exhibited a model of a car factory at Sokolniki Park in Moscow in 1962, as part of the first Exhibition of Italian Industry in Russia.

The talks continued with Valletta's personal support.

We come to 1965. At the end of June, Valletta travelled to Moscow to meet Kosygin. It was then that an agreement was signed between Fiat and the USSR's State Committee for Scientific Research to "work together to build a plant which is to produce 1500/2000 units a day, of a model yet to be chosen, with Fiat undertaking to share with the Soviet

car industry its knowledge of production processes and its expertise in building an efficient distribution and service network in the country”.

The news immediately went round the world and caused amazement and admiration throughout political and business circles. Valletta sped to Washington to reassure the State Department that the sole aim was to improve the Russian population’s standard of living.

In Turin, on 4th May 1966, Valletta and Tarasov – the Soviet Automobile Industry Minister – signed the understanding agreement by which Fiat was to build and deliver a turnkey plant which could turn out 2000 cars a day, for an overall project cost of more than 700 million dollars.

After that came the real partnership agreement itself, signed in Moscow on 15th August with Suskov. Production was due to begin in 1969.

That is how what Averell Harriman, the American Ambassador in Moscow, called the “deal of the century” began. It was definitely a deal which was both unprecedented in size and in terms of the issues that needed to be dealt with.



Riccardo Chivino (centre) with Vittorio Chiusano on a visit to the FSO plant in Warsaw, 1966.

At Fiat, a special department named “USSR Project” was immediately created. The Engineer Armando Fiorelli was put forward to coordinate all the technical aspects.

The Special Business Management Department, and specifically its director Riccardo Chivino, after having led all the talks to that moment, was put in charge of “dealing with and coordinating the legal, commercial and administrative side of the project”. The USSR Coordination Project Service was created under his command, with wide-ranging powers and responsibilities which became “the official single point of contact” with the Soviet side and served as the “central Fiat body for all official contacts”. As a consequence it also had the responsibility of keeping the Fiat president and top management informed of how the project was progressing: this occurred as planned, and production began in 1969, as agreed. Because of this Chivino was rightly considered the father of this huge operation which caused Fiat to be much admired, both then and now.

At the end of the Sixties, Fiat’s organisational model – which was centralised and hierarchical – found itself in crisis. It was a problem that affected all diversified companies.

The growing complexity of planning, engineering and manufacturing processes led inevitably to specialisation. And this was a need that made itself felt at Fiat, in the vehicle sector. On one side there were cars, on another trucks, and on yet another there were tractors. As a result various separate companies were created, joined together under the central holding company.

However this very logical and natural solution was met by resistance in the company, because it meant some people had less power, and it entailed breaking up the company which, where it was not well managed, could create rivalries and internal conflicts, duplication of work and services and reduction in synergies.

But Chivino had always been a great proponent of the need, for the sectors he was responsible for, to find an organisational solution based and focused on product details. So in 1969 he declared he did not agree with the structure adopted by Fiat, which had brought into a single body, the International Business Group, all international business for all vehicles. The world had been divided into geographical areas, within which car, lorry and tractor marketing was managed, in a bid to find synergies which – however – didn’t materialise because of the important differences between product lines which required entirely different organisation.

Chivino’s opinion was proved right, and this structure was not kept long, because from the start of the Seventies, Fiat changed its set-up – as

mentioned earlier – and introduced a radically different structure, with separate companies focused on individual product lines.

Chivino had also already noticed that there was a fundamental structural problem arising from the fact that Fiat had been created and grown in a country which was not large enough to enable the levels of growth needed to withstand international competition. He consequently stressed the need to look for alliances with foreign companies so as to reach the production levels and geographical coverage which would make the firm safe. Once this problem was more widely acknowledged, research began, as did talks with other large international companies which found themselves facing similar issues.

The department led by Chivino was the first at Fiat to work on the search for a partner. Because it involved farm tractors and earth-moving machinery, the search went to the North American market, which was home to nearly all the sector leaders. A first cycle of talks, which included both agricultural and earth-moving equipment, was held with the US firm Allis-Chalmers, but this did not lead to any concrete results. Fiat then went to the large, internationally-renowned American company, John Deere, for a deal which would have involved both product lines, but under this agreement the Americans would only have managed marketing and manufacturing operations for the Europeans.

The talks got a long way, but did not reach a conclusion because of the stumbling block of supplying Fiat-manufactured diesel motors to the joint venture which was to be set up, which were to have been excluded from the deal because they were also used in Fiat lorries. The talks fell on the very sensitive problem of the transfer prices charged by Fiat to the new company, an issue which was also closely watched by American anti-trust authorities.

So the third talks began, and these proved to be the conclusive ones. This time Fiat only negotiated on an agreement for earth-movers and the partner chosen was again Allis-Chalmers, who had renewed their interest in a deal in this sector.

Chivino had been far-sighted, because the product range, production facilities and market coverage that the two companies, one European and one American, brought to the table were perfect for the new joint venture. So the new Fiat-Allis joint venture, 65% held by Fiat, was founded in 1974 and could immediately compete with worldwide US and Japanese firms such as Caterpillar and Komatsu.

The creation of Fiat-Allis began a new phase in Fiat history, a phase which saw the search for partners in other sectors.

It was thus that, in 1975, IVECO was created to reorganise the road haulage vehicle area, with the purchase of the German firm Klöckner-

Humboldt-Deutz. With the unified management of the Fiat, OM, Lancia Special Vehicles, UNIC of France and Germany's Magirus Deutz brands, a great step forward was taken in building a large multinational industrial company.

At the beginning of the Nineties, it was the turn of farm tractors and hay-making machines. The Ford group had announced that it was willing to sell its tractor arm, including the Case-New Holland American hay and forage gathering machinery it had recently acquired.

It was another far-reaching operation, which saw the creation of a strong worldwide group, CNH, which definitively reorganised Fiat's farm tractor area, which had been left by the stripping out of the earth-moving business to create Fiat-Allis.

We can certainly end this review of the years which brought Fiat – which was still organised in a monolithic way with a centralised management system – to being a dynamic group of companies which were all focussed on developing differentiated work, by remembering the vision and courage of people like Riccardo Chivino, who had the ability to understand the international competitive environment. They were able to put forward and adopt brave and innovative approaches, which would later prove essential to make landmark changes, enabling the company to overcome moments of crisis and be successful in a changed competitive environment.

PAOLO BERNARDELLI

Fiat in Poland, Yugoslavia
and Russia as remembered by
Riccardo Chivino

*Riccardo Chivino dedicated this collection of memories
to his two daughters, Maddalena and Elisabetta.
When I recall that, because of unforeseen circumstances,
I made deals to manufacture cars in communist countries,
you asked me to write down the reasons for the Italian
decision, whether political, financial or others.
With a few anecdotes to allow you to best understand
the places and people of those times.
I have tried, and this work has let me relive events
and revive people, and – despite the gaps
in my memory – I enjoyed it.*

3rd September 1997*

* Riccardo Chivino dedicated this collection of memories to his two daughters, Maddalena and Elisabetta.

■ CHAPTER I

■ POLAND

I can remember Poland as it was before, since they had been making Fiats in Warsaw for some time, from before the War in the Forties. Polski Fiat made cars and vans called *Balilla* ('Little Boy'), under licence from Fiat. In the destruction of Warsaw, the factory and the nearby ghetto were razed to the ground.

The second half of the Forties: Catholic Poland was governed by communists, with participation from the socialist and farmers' parties. Gomułka was secretary of the Communist Party. He didn't like his Soviet controllers, and the Soviet government didn't trust him. Russian cars were long and wide, poor copies of American cars from twenty years earlier.

The relationship with Italy was good. General Anders' troops took part in liberating Italy from the Germans, and marched right up the Adriatic coast from the south alongside the Allied armies. The Italian Ambassador in Warsaw was a communist who was highly regarded both for his good political background and his qualifications.

The experts had happy memories of working together with the Italians at Polski Fiat, and everyday people still remembered it.



The historic sign of the FSO
(Fabryka Samochodów
Osobowych) in Warsaw.

The Poles love Italy, its historic cities, the Rome of the imperial Romans and the Rome of the popes, the Tuscan hills, Saint Francis's verdant Umbria, the warm seas of the South, the lands of ancient civilisations, Sicily's sun and citrus groves, the various kinds of people – who seem closer to them than their orthodox and protestant neighbours.

The decision was a mix of tradition, rationality and emotions.

Vittorio Valletta, the quintessential professor, had returned to Turin to run Fiat. He had been moved from the post at the end of the War by the Committee of National Liberation and replaced by four commissioners – Battista Santhià for the Communist Party, Arnolfo Fogagnolo for the Socialist Party, Aurelio Peccei for the Party of Action and Gaudenzio Bono – who was moved from being director at SPA and sent to lead Mirafiori. Some top executives returned with the Professor, but not to the posts they had previously held. A presidential committee was created. This committee was tasked with writing the contract with the Poles and one of the members was supposed to set up and coordinate the work to implement the deal. He was felt to be the main driver of the creation of the new plant called "Mirafiori"; he was moved away, some say because he was a fascist, others because he was too harsh with the workers. For example it is said that when he saw somebody in the plant with their hands in their pockets, he shouted in dialect: *Hey you, get your hands out of your pockets*. A short crew-cut, a glass eye and a crimson-coloured face did the rest; but that wasn't why they got rid of him.



The Syrena assembly line at FSO in Warsaw, 1966.

The agreements contained the conditions for licensing the manufacturing of the 1100 class in Poland, and the drawings and documentation which had to be attached to them.

They established to what stage the project, designs and instructions should be taken so that the Polish companies could construct the general structure of the buildings, and also included the information needed to buy the machines and equipment from specialist construction firms from different countries.

The work was entrusted to Mirafiori technicians chosen by the man with the glass eye who had trained them. The administrative side of the agreements was entrusted to Special Business Management, which I had been part of for a decade. This team was responsible for establishing relationships, setting up partnerships and selling products in countries with command economies and others linked to them, and thus in all the countries which were called “socialist”, as well as in areas of Africa, the Middle East and Latin America.

This is to explain the task that was given to me and the regular meetings with the Polish delegation which had arrived in Turin to receive the documentation and the information described by the agreement. The Polish delegates were happy to be in Italy and were hoping for a full programme, experiencing our culture and visiting our places of beau-



The 125P assembly line in the FSO plant in Warsaw, 1972.

ty, which they had studied so well that they were more knowledgeable about them than their Italian hosts. They didn't ask for anything else, with the small exception of a restaurant at the foot of the Turin hills*, which specialised in cheeses served in order of their flavours, accompanied by Piedmontese wines, so that on leaving there was no need for a coat, even though it was wintertime and snowing.

They were reserved and nice: there were lots of *proszę pana* and *dziękuję bardzo dziękuję!***

It was only the head of the delegation that was unable to restrain, though rarely, his silence on any "good feeling" for the Soviet world. It was he who told me that Russian cars were too long and wide.

The radio and the newspapers announced Gomułka's resignation. Silence and prudence in the delegation. We were waiting to see what would happen. Gomułka was succeeded by General Rokossovskij. He was a courageous General born on Polish land ceded to the USSR. It was said that Gomułka was a prisoner in a Polish castle, or prison, or that he was imprisoned in the Soviet Union.

Rokossovskij was born in Polish territory, but he was a Russian General imposed by the Soviets to govern Poland. The Professor asked me – because of the regular contact I had with the delegation – what I had heard about their opinions on the change in the political situation. Gomułka is first a Pole, and then a communist.

"Rokossovskij... he's no Pole..." the boss let slip.

They were all unhappy. They doubted that the new government would allow a capitalist car to be made in Warsaw with the help and partnership of a capitalist company.

The decision took some time, in part because in Warsaw work was still taking place on the buildings and facilities, for which the designs and data from Turin were needed. I remember that it was September when I was contacted by the delegation.

A gentleman had arrived from Warsaw with ministerial credentials, politely asking if it would be possible to have a meeting with the Chief Executive.

It was a short meeting, with me waiting outside the door to accompany the guest. I think I can remember the words that were said to the Professor: "The agreement has been followed by Fiat in a commendable way, and we are grateful to you, Mr President, and the men who have worked in a friendly fashion with our people. We are very unhappy to

* Trattoria della Posta.

** "please", "many thanks".

have to tell you of our government's request to interrupt the current partnership for the car factory. We ask you to understand the difficulties we face". "What can one do after a declaration of such appreciation and regret?" was the Professor's comment. Nevertheless this was a blow to Fiat's image as people could have interpreted the break as having been caused by very different reasons than it actually had.

In the Polish purchasing plans there were things that we produced, from land transport vehicles to trains to ship engines; the big Gdynia ship-yards make ships but not engines.

A preference for us – technical specifications and price compared to the competition being equal – would seem to be recognition for the friendly end to the factory agreement.

The Professor looked at me with a confused smile. "Do you think so? All right, you can put forward an offer then".

The offer seemed to be well received, "depending on consent from above. (Not from the gentleman who came from Warsaw.). Tonight I leave for Rome", he told me, "and I will hear Warsaw's reaction from the Embassy".

It was a favourable reaction. "We would like you to send a delegation



View of the FSO plant in Warsaw, 1966.

to Warsaw, if possible by the end of October". Delegations are the way things have to be done in communist countries, which never allow one person to represent one of their companies to third parties on their own.

In our case I became the "delegation", an unexpected decision. Along with the difficulties of the task that awaited me, I also felt the burden of not knowing the country that awaited me.

I won't list the problems and difficulties I faced in five months in Poland, but just the memory of moments which made me reflect, even though they are small, random episodes.

The currency: the *złoty* is Polish money, American dollars, the money which everybody over here calls "greenfinches".

The Polish police and customs carefully wrote down the amount and serial numbers of the dollars I had, and I didn't dare to ask why.

The first person that I met in Warsaw was the Ambassador's secretary, whose job it was to help me in my contacts with the authorities. A young Tuscan communist named Spartaco, friendly, intelligent, a complete non-believer and an unrepentant womaniser. He was generous and an enormous help to me. Married to a beautiful young Pole, Sofia, he took me home on the coldest and most difficult days, and put a plate of Italian pasta and a bottle of Chianti on the table. Thank you Spartaco and Sofia.

That first evening he gave me a bottle of whisky, "it will warm you up a bit". "But aren't we in vodka country?" "There'll be time for that, you'll see plenty of Vodka". I told him about the dollar numbers being written down. In the bank they give you four *złoty*, but on the black market it's forty – and I understood the reason.

My hotel, the Bristol, was falling apart at the seams, with the walls visibly cracking. The ceilings in the corridors, and those in many of the rooms were only standing because of supportive planks, shored up by rough wooden stakes which looked if they had come straight out of the forest.

Perhaps I picked the most damaged area for my first trip around town. Five years after the war, it looked as if nothing had been spared in that part of Warsaw. I heard descriptions of it from the Poles who had come to Turin, but you really had to see the mountains of rubble, empty windows in tottering wall fragments to understand the horror and desolation behind those empty eyes.

When I asked to see where Polski Fiat had been, I was taken by an old man who was supposed to know the place. Despite having a good relief map, we couldn't find Polski Fiat. For a good kilometre there wasn't a single wall as tall as a man. The ghetto had been next to Polski Fiat.

Who was it? The English, the Russians? No, the Nazis during the

Warsaw Uprising, while the Soviets, on the other side of the Vistula, stood there watching.

Distinguishing traits of the Polish gentlemen I met for work. (I am listing the names of those to whom it can do no harm).

The deputy minister in charge of setting the purchasing priorities was tall, with his hair ruffled by the wind, and he had an obvious limp. The Polish state organisation DAL was given the task of coordinating work and closing the final deal. I remember him because he was the son of a Jewish banker whose bank had been taken over by the new regime. He made a display of avid communism even though his socks never matched. How could I ask him why they never matched? And about the warnings to DAL about not trusting this representative of capitalism? Me, a representative of capitalism? Three cheers for that!

DAL – I don't remember what it stood for – was based in a block with large rooms which had escaped the bombing. On the doorway was a noble coat of arms, which was worn and no longer decipherable.

Mr Tyska was a middle-aged director. He proved to have a sound humanist and scientific education, and was a gentleman both in style and in substance. He was a non-communist Jew. Even Spartaco couldn't figure out who had given him a role like that.

A few days after I arrived, Tyska invited me to a big party at DAL.

The room was beautifully decorated. On one side were the employees, and on the other a small orchestra leaving a small area for dancing in the middle. The director crossed it and bowed to a woman who was fairly large both in front and behind, and they opened the dance: on their own, they danced lightly and were loudly applauded.

She was one of the cleaning ladies. The director came back with his arms outstretched and a wide smile. He was trying to tell me that this was how it was done, and in this case it had been a good rule to follow; the lady, who also looked happy, was as light as a feather when she danced.

The second time he stretched his arms out and smiled broadly was when he told me that the contract could be signed.

Tyska would go into voluntary exile in London with his wife. I was grateful for the friendship he showed me, even when in exile, and I cannot ever forget his open arms and his smile, both after the Viennese Waltz, and also when five months of hard work came to a successful end.

The Gdynia shipyard sent the engineer Jan Cybulski to Warsaw to talk about ship engines. A practising Catholic, he did not hesitate to profess

his faith and to discuss his thoughts openly, with a few exceptions. He did not like the Germans and hated General Rokossovskij and Poland's Soviet protectors. While talking heatedly about his dislike of the Soviets, he told me about the courage of the rebels. "I lost my father", he said, "but they were – you must believe me – the most beautiful and worthy days of my life".

One evening, the shipyard director invited me to dinner. Cybulski and other shipyard people were with him. When his boss started to praise the Russians and General Rokossovskij for bringing peace and jobs, Cybulski stared at his plate and hung his head in shame. Luckily we were on the last course, as they say.

When a few months later he came to Turin for the engine trials, he asked me to go with him to the Maria Ausiliatrice Basilica. Don Bosco was his favourite saint, and he spent a long time communicating with him in silence – he was absorbed and emotional. The Christian spirit revives when persecuted.

And finally, how could we not remember and describe a character like the Minister's secretary.

He was actually an interpreter of the ministry of which DAL was a part. But it was always him that the ministry used when receiving foreigners who didn't speak Polish.

I met him at the DAL party and – knowing I was a hunter – he promised to invite me as soon as possible. The invitation wasn't long in coming, since snow was due to arrive. "Let's go partridge hunting on Sunday. There will also be two gentlemen from the Italian Embassy. If you wanted to come with me on Saturday, we could try to shoot a few grouse, which is a beautiful woodland bird that you can't approach by day, but we can try in the evening when they fly fast through the woods to return home to their favourite trees".

We walked along a narrow path between various kinds of plant: oaks, elms, limes, birch trees, and with undergrowth of a shrub that I didn't recognise. The host moved away from us, and waited in a clearing not far away. I was allocated another clearing where the grouse might pass.

I was accompanied by a gamekeeper who could speak Italian because he had fought in Italy as a batman to the count, who was then a major in Anders' force. I learnt in the forest that the secretary was a count, and that the woods and castle where I had slept had belonged to his family before the new government turned them into hunting grounds for the new party nomenclature and foreign guests.

The staff also belonged in part to another time. There were strange thoughts and feelings in that clearing, with a light wind that shook the

last dry leaves from the trees. From time to time you could hear that the waters of the Vistula were not far off.

A flash, a bang and a quick rustle of wings. The grouse was faster than my reflexes. We found that night had already descended. The path was marked with white stains on the tree trunks and on the stronger branches of the bushes.

“What are they?” “When the Vistula breaks its banks, the waters rise up and cover the path”.

One evening, when I met the devil, I lost my bearings and was stuck in the forest. That is why I marked the path. The devil? Yes, the devil. A strong man, with a big beard, a big old hat and a pipe. He asked me for a light. What did he want from me? I was scared, so I made the sign of the cross while he lit his pipe. There was a big flash and he disappeared. The count nodded. He also believed in the devil.

It snowed that night, so the partridge hunting was postponed.

The secretary-count never told me that he had lost his home, lands and forests on the banks of the Vistula; in any case he went back there to hunt. He never said a word that might sound like it a criticism of communism, the government or his ministry. Of the latter, he explained that he hated to hear people laugh. He thought they were laughing at him. He felt the gap between his new job, and what he had once done. But he quickly recovered. He is an honest, sensible man, but if you ask somebody to go and be a lawyer when they were a doctor up until yesterday...



View of the FSO plant in Warsaw, 1972.

Over time I felt more confident, and tried: “You were in Italy with General Anders?” He told me he had a lot of friends in Italy. “What happened to Poland was not what was agreed at Yalta, and I had a duty of honour: I was engaged. I kept the agreement, I got married and I am happy” and he smiled with the incomprehensible look of a count that is the secretary of a communist minister.

With the laborious negotiations for supplies to Poland finally over, and with the conditions established, I thought that I was close to going home. But it was not to be. I was called to the ministry and told that they didn’t have any dollars. Basically it would be coal in exchange. What should we do? With the director away, I got an answer from one of his deputies, one who was always getting angry and wanted to take the Poles to court. “Coal? It’s them that have to sell the coal”.

Ah, I wish I had thought of that, I thought.

“Don’t worry, Cavalli won’t allow it in any case”. “Cavalli” was the code for the Americans and, if necessary, the Allied Command in Paris, which all contracts with Eastern bloc countries had to be checked with.

The Italian Coal Federation was the largest importer of coal and I was lucky enough to know the president. I asked him to come to Warsaw. “Can you guarantee that I will get back alive?” He came with a big packet of special pasta, and anchovies and other ingredients to make a sauce for it.

The Central Coal plant at Katowice sent a delegation to Warsaw. They knew the president, they spoke the same language, the language of coal: types of coal, size of the lumps, price in dollars, delivery times, ships and ports. At 12 dollars a ton, he told me, I wasn’t risking anything. A million tons of coal, one hundred 10,000-ton ships from Polish to Italian ports, it all made quite an impression on me.

The Coal Federation President – who was happy to have come, and even happier to be going home – took to telling, both amused and amusingly, stories from when he was president of Genoa Football Club, using the picturesque language of Govi.

With Spartaco we went to eat pasta with anchovies at Wacki’s (I have spelled it as it sounds) which means “Italy” or even “hair” – some say dark hair, others say curly.

This time I was also counting on coming home soon, but it was not to be. At the ministry they said that they needed a few days until signing, and that perhaps a few changes were needed to the agreement.

The Korean War had broken out and the price of coal was rising. Fiat’s production costs were rising at the same rate, I replied.



■ Avvocato Agnelli on a visit to the FSO in Warsaw, 1966.

I had been there more than four months to sign a friendly agreement... I was still convinced that the communist government would not want international criticism for their lack of respect for an agreement which had already generated positive results. I waited for a call for three long days in my hotel room. It came on the evening of the third day.

The delegations which had dealt with ship engines, railways, lorries and coal were sitting around the long oval table in the DAL meeting room. They were silent. The director was with the minister. The wait lasted over an hour. A door opens and a waiter brings us something to drink. Through the crack in the door I saw a table all decked out in the room alongside: that was a good sign, in that kind of world.

I can remember Leon Tyska's open arms and happy smile. We signed.

They gave me a gold Omega watch, those dear friends. (It's broken, but I keep it for the memories). I was unprepared and didn't have anything for them. I too spread my arms wide.

I arrived in Turin on a Saturday night, and was with your dear mother and two beautiful little girls, aged 5 and 3: Maddalena and Elisabetta.

The next morning, Sunday, I went to Mirafiori. The Professor was there, as usual. He was surprised and even slightly incredulous at the beginning, then he wanted to know everything, even the details. He told me he was happy, very happy. He had no doubt that the contract would get the go-ahead from Rome and Paris.

Paris sent a senior official to Turin, a pleasant, open American. He also asked a lot of questions about Poland, and then about the contract.

Lorries: with a sweep of the hand he showed it was not relevant. Railway material: the same gesture. Seven ten-thousand horsepower ship engines. All right, but ships travelled, and they could even find themselves in an American harbour.

"But how are they going to pay?" "Coal". "Coal?" "There is a great demand for coal". "You've done very well".

So in this way the deal was authorised and the Warsaw car factory agreement also had a happy ending. Between the walls of that factory, built on a Fiat plan, there began the assembly of the Russian *Pobieda* car. *Pobieda* means "victory", which the Poles nationalised to *Warszawa*.

The contract was followed and the working relationship with Poland grew to be a good partnership. Jan Cybulski came to Turin for the engine trials and went to pray with Don Bosco.

The price of coal nearly doubled and the Large Motors – the factory which produced those engines which were as big as houses – built a new foundry.

Five years passed, and Gomułka returned to power. What would they do at the FSO?" The reasons to prefer Italy – and Fiat – should remain the same as in 1948.

A good two years went by before Fiat was asked if it was available for a new agreement. The model had already been chosen: the *1500*, the fast car with the streamlined look and the low nose. They had bought a few very discreetly, tested and re-tested them on the Polish roads, taken them apart and examined them in the laboratory. In effect, they wanted a licence to build the *1500* in the plant that had already been built in Warsaw.

The delegation arrived in Turin: there were not very many of them, they were reserved, and their boss had a large head. We nicknamed him "heavy head" because he held his head close to the papers he was reading (perhaps because he was short sighted) and barely raised it when he spoke. And he spoke in a low voice, with very measured and precise language. He was a heavy head in the best sense of the expression. He would become a minister and then deputy prime minister, then he would be removed from power because of the excessive promotion of heavy industry at the cost of consumer goods for the people.

The entire delegation worked with a degree of confidentiality that gave the impression that the business in question wasn't yet completely authorised.

We received great help from the Mirafiori experts since their director had been the head of the small team of technicians that Fiat had sent to Polski Fiat in Poland to work on the Balilla. There was a rumour that he fell in love there, and was loved in return by a Polish countess. These are important matters, very important matters, even for the more austere of men.

The delegation had their offices in a block behind Corso Marconi, linked to it by a dimly-lit underpass which I walked through every day for a couple of months.

There were no breaks for idle chatter. Just once, and with an embarrassed smile, their boss asked me the address of a place on the hill where the carriages stopped, yes, the horse-drawn carriages. Ah, the Posta**, the cheese restaurant whose praises they had heard sung by somebody in Warsaw...

We went, but the outcome was not the same as in 1948. The boss's seriousness, even surrounded by blocks of cheese, proved contagious to his people and my colleagues. That afternoon we had talked about third-party rights to some parts of the car and from time to time he would ask

* Fabryka Samochodów Osobowych.

** Trattoria della Posta.

us something about this. Fortunately the Polish number two, who hadn't left any wine in the bottles, sang '*O sole mio*' in a loud voice, and good humour prevailed that evening as well.

December. We agreed the work could be finished by mid-month: the Poles would be able to return home in time to arrange their Christmas holidays.

On 10th December, the boss left for Warsaw. A few days later he was back. There was a slight feeling of uncertainty, but we continued to print the numerous attachments. Upon his return, with the same look as ever, without any trace of emotion, he bowed his head and said in a low voice: "Warsaw is in agreement if we manage to change a few conditions on payment. The purchase of Polish goods for a certain amount, and the increase of some import quotas in the marketing agreement".

That we weren't the government and that we couldn't commit ourselves to do anything in relation to the quotas seemed to be accepted. The question of the goods was not easy, and it seemed impossible to us that important negotiations could fall on this kind of request at the last moment.

It was only on 23rd December that we reached agreement on a declaration of intent, but without any form of commitment.

We worked on the layout until late into the evening.

I had invited the director of Mirafiori to sign the agreement alongside me, in part because the presence of the man who had been the young technician sent to Polski Fiat meant that there was continuity in the partnership. It had become night: the lights in the rooms in Corso Marconi were turned off, the director of Mirafiori was becoming impatient because he was awaited at Bordighera. By another countess?

He came to sign with a wide smile for the Poles and then silently slipped off. We walked through the underground passage. The Professor was waiting for us on the eighth floor, the last one with the lights left on. The face of the delegation head also lit up this time. There was a convincing exchange on wanting to work together, and the relationship was good. This time the gift to the delegation was from us. It was a silver number plate, crowned with the outline of the 1500 and: "The Fiat 1500 will be made in Warsaw at the *Pobieda-Warszawa* assembly area".

I haven't travelled much in Polish lands: they are different to our own, but they too have been crossed by invaders for centuries. After a mere few decades of unity, they saw the Nazis marching towards Danzig, and in the end the Soviet army waiting on the banks of the Vistula watched the Poles die in the burning city.

But I have very fond memories of the Masurian Lakes. Water and yet more water, clear, still and running; forests and yet more forests, next to the water, with trees with centuries of beauty, meadows without end running to the horizon, and the Russian borderlands. Marvels that stay in the memory.

The *żubr*, live in those lands, huge wild bison that munch a special grass, a blade of which is put in vodka bottles which take on a yellowish colour and is called *Żubrówka*, “bison vodka”. The beautiful wild bison also appears on the label. They told me that there was still a herd of fifty or so that wandered freely over the areas separating Poland and The Soviet Union. The jury is still out as to which is better – Russian vodka or the Polish one with the blade of grass from the *żubr*.

The border made me recall a joke (of the sort that is common in the communist world, as it was with us in fascist times): Russian and Polish soldiers draw a new border; the line cuts a farmhouse in two; they can move it one way or the other. So they ask the farmer where he wants to live, in Poland or in Russia? The farmer thinks about it and answers that he’d prefer to live in Poland. Why? Because it isn’t as cold in Poland.

There are strong contrasts in the Polish landscape, and in its people, and the capital is like that too.

There is a large bookshop not far from St John’s Cathedral and its square: the books are mainly on science, philosophy and politics; texts in Polish and Russian, a few in French, none in Italian. Marx-Engels and Lenin dominate. Are the students in Warsaw Marxist-Leninist? And the



The signing of the agreement between Fiat and the Polish government for the FSM plant in Slesia, 1971.

thousands of people, many of them young, who yesterday – the Feast of Corpus Christi – formed an orderly endless procession behind the monstrance, with the holy host carried by the cardinal?

The Palace of Culture was a gift from the Russians. Accompanying me was a Gomulkian communist. “Do you like it?” “No. It’s very big and full of marble, but it is cold and soulless”. The Gomulkian commented: “Perhaps they thought that by throwing marble and money around they would make us forget the Vistula?”

In a large square there is the monument to Nikolaj Kopernik, whom we know as Copernicus. And nearby, the church dedicated to Saint Stanislaus Kostka. Five centuries back the former said that the planets went around the sun, and the latter that it was the sun that went around the earth. Both loved Italy: Kostka, a Jesuit, would die there. I watch two Russian army officers going into the church of Saint Stanislaus: they get down on their knees in the middle of the nave and stay there lost in thought for a long time.

On Sunday there is an invitation to visit Chopin’s house. I accepted it, despite already feeling the weight of my ignorance. It was like someone who is invited to visit Ithaca and has not read the *Odyssey*, who doesn’t know about Ulysses, Penelope and her suitors – that’s how I was when invited to Chopin’s house. The person with me knew everything about him, his music, his life, his beliefs, his loves and his melancholy.

It was a short trip from Warsaw to the village where Chopin’s house was, but I was completely exhausted when I got there, and perhaps that is why my recollections of the external view of the house are confused: a large room on the ground floor where he composed, his piano and a pianist who must have been good, judging from the applause of the visitors.

At the end of the house a door opened out onto the garden: mature trees with thick, young foliage; flowering shrubs and rosebushes. An overflowing stream of clear water, which felt fresh, flowed through the garden. I can remember those trees and the gurgling of the water.

New technologies will appear, and the market will want new things, and there will be new deals done with Poland. Technical and financial data will survive, logged in the factory archives, but the human, social and political events behind them will fade away, even from the memory of those who experienced them.

Already in the Forties there were not many people who could remember the Polski Fiat story.



■ CHAPTER II

■ YUGOSLAVIA

The Southern Slavs

Polish waters flow into the Vistula, which flows through Warsaw. Waters of many different nations, with different histories, traditions, languages, religions and political institutions, flow into the Danube, which flows through Belgrade. From Yugoslav lands forty tributaries carry with them historical stories of secular domination (Turks, Austrians and Bulgars), four languages (Serb, Croat, Slovenian, Macedonian), three religions (Catholic, Orthodox and Muslim), and two types of writing (Cyrillic and Latin). Relations with Italy went through good periods and other times of conflict, including bitter conflict.

After the 1914-18 war, the borders between Italy and Yugoslavia were agreed at the Treaty of Rapallo, and Rijeka became a free territory. Nationalists on both sides were unhappy about this. After the war of the 1940s nearly ten years were needed to settle the new borders. In the middle there was Zone A, Zone B and the Free Territory of Trieste (FTT) governed by the Allies. The 1954 agreement again left nationalists on both sides unhappy.

These were the primary factors which influenced the secondary factors such as economic ones, and recalling them can help in understanding the difficulties in reaching the agreements, and the reasons why some failed. One of those left undone was the cause – from beginning to end – of some incidents which were so disturbing as to seem practically impossible to those who witnessed them and can remember them.

The government of the new republic FNRJ (Federativna Narodna Republika Jugoslavija) decided to build a factory to produce lorries on the high Serbian hills. It was a strategic position, they said, perhaps

thinking of the break with Moscow in 1948. Before deciding to whom to grant the manufacturing licence, the European manufacturers were invited to take part in road tests in Yugoslavia. The invitation arrived at Fiat on 4th November* with a telegram signed “Fabrika Automobila Priboj na Limu”. At that time we could drop into the office, even on a holiday, and somebody struggled to understand where the telegram had come from. The Yugoslav language has declensions and it was understood that this meant “Priboj on the Lim river”. The Fiat model 640 lorry, with a Viberti brand trailer and the two mechanics picked to take part in the tests, reached Belgrade in the afternoon of 17th November. It was cold and raining. The deputy director of our representative office in Belgrade, Engineer Milošević, was waiting for us at a tyre warehouse with two gentlemen – not in uniform – who asked to come with us in our off-road vehicle. I later learned that they were two Generals who had been selected to follow the tests, which were due to last nearly three months.

With the steep, muddy roads, we had some difficulty finding a wooden sign with an arrow pointing to “Fabrika Automobila”. We drove along a track and entered a new warehouse building, inside which were lined up trucks and trailers from Mercedes, Renault, Deutz and Leyland, to mention just the best known. From inside we could hear the sound of the Lim, full of autumn rain, not far away.

The director, Engineer Laurencic, came to us and went with us to Priboj Banja, around a hundred metres higher up, where we were to sleep. My two mechanics had expected a degree of luxury from this spa town but instead they found themselves in a large room, modestly furnished, where their test colleagues were knocking back Slivovica surrounded by a thick cloud of smoke.

I was the only white-collar worker there, and Mr Laurencic took me to a tiny room, which had been set aside for me, with an army bed and blankets, and a cast-iron stove in which you could see the flames. “Take a seat”, said Laurencic. “You too Engineer, I have to ask you for a big favour”. “I’m sorry, but I can’t”, was his answer, “I have a boil in my arse”.

I succeeded in getting our departure delayed by a day, but while I was waiting for a reply, the younger of the drivers burst into tears and said he wanted to go home, even if it cost him his job. The crisis was brought on by three months on those roads which he had seen crossing water flows on provisional bridges, with the smoke-filled room in his eyes, with those cronies who were huge figures who could take their alcohol and strong tobacco, and him – a weedy teetotaler – who had been warned not to

* National Holiday celebrating National Unity and Italian Armed Forces until 1977.

leave the room at night because of the wolves. “Come home with me, I understand what you are saying and I assure you that you won’t have any problems”. A few minutes later, encouraged by his older colleague, he said to me with a forced smile: “Let’s go”. They left, and the Fiat 640 and the Viberti trailer got the best scores in the trials on the difficult Yugoslav roads, and in the test labs. The two mechanics got much-deserved thanks and recognition when they returned to Turin. But I had to return to Belgrade, and sometimes to Priboj, on the River Lim.

There is nothing worth retelling of the talks with Mr Laurencic and his delegates, except for the usual difficulties and red tape accompanying – it must be said – a clear wish to reach an agreement, and of working



The Crvena Zastava plant, 1962.

with Italy and Fiat. We managed to reach agreement on the details, and to format all the pages, and we fixed the date for the deal to be signed in Belgrade after having been given the go-ahead by the respective authorities. In truth, at the end we felt a sense of concern in the air, and this was confirmed to us on the road in front of the hotel where we were staying. We heard shouts, drum rolls and whistles.

We stayed in the car to see what was happening. A large stream of young people came towards us, they were threatening-looking students. Their fists in the air shouting TRST-TRST-TRST.*

The Piedmontese student demonstration of twenty years earlier came to mind, it was on the country's border, in front of a fascist federal agent. The Piedmontese student had a blue handkerchief around his neck with a picture of the St Mark's lions from Trau. He sang: *when we get to Split, we will set up a merry go-round and tell the Yugoslavs that we are in our homeland.*

A fat man next to me was shouting: SPLIT, SPLIT!

"Do you know where Split is?"

"What do you care, you idiot"

We reversed quickly, what was happening?

"But didn't you realise that they were coming to get us? They saw the Italian number plate!"

"I didn't realise, you idiot"

The date for the signing in Belgrade drew closer and the tension between Belgrade and Rome grew day by day, to the extent that officers and soldiers in the reserve were mobilised. The great majority of the press encouraged the nationalist spirit.

My country, right or wrong, as the English say: but it is a declaration said for effect, it doesn't lead to seeing things clearly. "If you don't have a reason not to, then leave for Belgrade", the Professor said, "neither side is going to fire a shot".

At the station in Milan uniformed officers were accompanied to the train for Trieste by their wives, who raised handkerchiefs to their eyes when the train pulled out of the station.

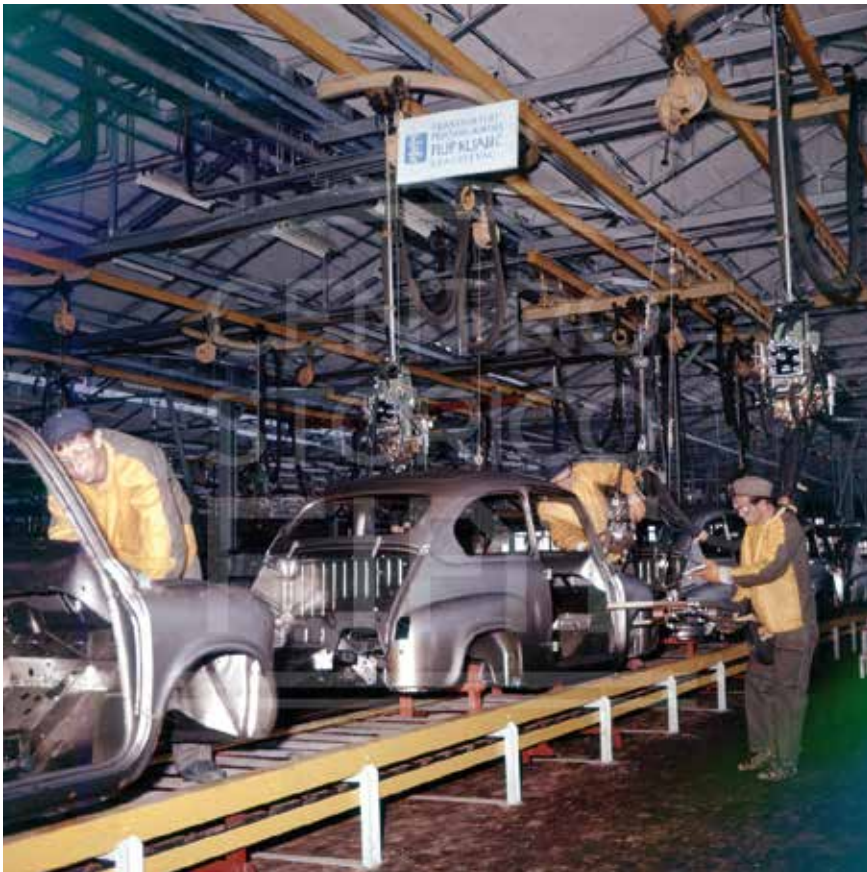
"This is crazy, crazy stuff", murmured a man from Lombardy who had also boarded the train. From Trieste to Ljubljana there were only two of us left on the train. The Yugoslav, before getting off at Ljubljana said goodbye: "I will be back in Milan soon". There were railway cars full of tanks and guns covered by camouflage nets, travelling to Trieste.

* "Trieste" in Slovenian.

Mr Laurencic could not hide his surprise when he saw me, but he was happy. We ate together at the Press Club: grilled zander. I can remember because I asked in what waters this flavoursome fish lived. In the Danube. “I will pick you up at your hotel at five”, and the tone was still one of trust. He came at five, but with words of uncertainty: “I am sorry, it has been put back to seven”.

At seven he stretched out his arms: “I am sorry, the decision has been postponed”. The Yugoslav General Staff had vetoed making a deal with Italy that was thought to be of strategic importance.

Once the storm had passed, the Yugoslavs’ wish to sign a long-term partnership agreement of real economic importance with Italy was shown by another request made to Fiat. This came from the industrial plant at Kragujevac, and was to test a family of vehicles on Yugoslav roads – the



Production line in the Crvena Zastava plant.

1400 car, the 615 light truck and civil and military versions of the off-road vehicle – which all had the same unified engine.

Kragujevac, a small city south of Belgrade, was the home of the Serbian military's old arsenal. From there you, Colonel Stayevic, Capitan Radovanovic and petty officers Popadic and Stankovic came to test the elements of the motorised division (Ansaldo armoured cars with Fiat engines and Gilera motorbikes) that your government had ordered from Fiat at the beginning of the Forties.

How can I not remember you – returning to your arsenal – and some of the times we shared in those years and which gave me an impression of your country and your people which has stayed with me over time, even after very different events.

You, Colonel Stayevic, an extrovert who could be commanding when necessary, witty when required, with your likeable expression; and you, Captain Radovanovic, so tall and dry that you looked like a monument to severity. When he allowed a smile to escape, you realised that he was a good man. Stayevic spoke fluent French, but we had heard that he could not write it, and as a result a woman who spoke mother-tongue French was attached to the delegation. Fiat had rented an apartment in Via Nizza, which was set up as both a place to live and as an office. The secretary, a middle-aged lady who was not beautiful but had a dazzling smile, and a large chest kept high by a strong corset, also became a good landlady, and there were those who thought that she was in love with the friendly Colonel.

A few months had passed since the delegation's arrival. An elegant, freshly-printed invitation to dinner arrived for me, my director and the secretary. In the dining room, on the far wall, there was a large portrait of Peter II, the young king who had come to the throne after a long regency. Surprise followed surprise. We knew from the newspapers that Peter II had acceded to the throne. But that large portrait and the flag – had they really brought them from Kragujevac? And the elaborate uniforms? The two officers were in dress uniform. Three Yugoslav gentlemen formally dressed, with very elegant, bejewelled wives who even the secretary had never seen before.

Traditional Serbian food and wine. Contained merriment and rigorous composure, almost as if the King himself were there.

Colonel Stayevic stood to make a speech. He was emotional, with such devotion to his homeland, and his King, and with words of friendship for Italy – recalling the good relationship that the Sardinian-Piedmont kingdom had with Serbia. There was consecutive translation into Italian by an interpreter standing next to Colonel Stayevic.

Finally they solemnly sang the national anthem – with all of them standing to attention – which ended with the word “Yugoslavia”, like a call to arms. Nationalists? Monarchists? At that time they were soldiers who were faithful to their country, and to their new king.

Colonel Stayevic liked Italy and Turin. Before long he learned Italian, and even Piedmontese dialect. When he went to see the Gilera at Arcore or the Ansaldo in Genova and emerged happy from a good meal, he said friendly things about Italy and the Italians, quickly adding that he did not like the fascists for having joined the Axis, but didn’t go any further.

The motorised division was finally nearly all in Yugoslavia when the order arrived in Turin to block the remaining factories producing war material. The very same day I was asked to go, if possible, to the Consul General in Milan. I had met him several times, on the trips to Arcore with Colonel Stayevic, but never the gentleman who was with him; tall, very tall and dry, a general from Montenegro who was the military attaché in Rome.



■ A 600 being made at the Crvena Zastava plant.

"We must ask you to send as soon as possible the units of the division which have already been checked and the boxes of spare parts. The petty officers have been ordered to return. If the order for Colonel Stayevic and Captain Radovanovic to return should arrive outside office hours, could we please ask you to telephone them at home and to make available a car to take them to the station in Milan, or to the frontier?"

"But why are you asking me this?"

"We have received information that at any moment the German army may invade our country. We were expecting it, but we regret that the Italians will attack us as well. There is a large disparity in equipment and we could lose the war in a few days, but as long as there is a tree or a rock to fight for, we will resist until we are free again. I am returning home with my four children tomorrow", said the general.

At dawn, two days later we headed for Milan in the low-nosed 1500 driven by Chiesa.

There were a few words of thanks for Fiat and for the friendship from the country that had hosted them. Regret for the things that awaited them. They were just in time to catch the last Simplon-Orient-Express.



Fiat vice-president Giovanni Agnelli in the Kraguyevac plant, 1962.

Once the war was over, I found out that Captain Radovanovic had been killed a few days after returning home, riding at the head of his squadron against the German Panzers. Colonel Stayevic sent us his news from Argentina, and ten years later returned to Yugoslavia and wanted to come to Turin to remember old times and to thank Aurelio Peccei, who had given him a job which had allowed him to survive in Argentina. We had lunch at the Cambio, and Stayevic tried to bring out his old charm, but he was finished.

Here we are again at Kragujevac, nearly fifteen years later, testing in the old Serb arsenal. Not long had passed since the episode of Priboj on the River Lim and a new factory was being set up for civil and military vehicles. The storm had blown over, but the situation – zone A, zone B and the FTT, newspapers and public opinion – hadn't changed.

Why did Belgrade prefer to work with Italy on economic agreements which set down growing, long-term collaboration? At home some people attributed it to the opinion that a deal with Italy would be predictable, wouldn't take long to achieve, with the borders established and a long economic and even political partnership, with no Cominform vetos.* Others said that it would be a waste of time and money, as had already happened at Priboj. Those who didn't like it simply said that they were not deals that should be done, and that was something the communists had also been thinking in private, ever since Belgrade had broken with Moscow.

The trials ended before Easter 1954 – a year worth noting – and talks started at Kragujevac, once again in the offices of the old arsenal. It was an informal discussion on the contents of a possible licence and technical partnership agreement for the vehicle family which was being tried out. Kragujevac looked more like a large village than a city. The roads had more farm carts and herds of cattle on them than cars. The farmers looked different to ours: they dressed differently, with big moustaches and brightly-coloured hats of several different types.

One day they took me to a beautiful hill on the edge of the village-city. Going up a road, surrounded by trees and bushes announcing the arrival of spring, they told me about the massacre which the Nazis had carried out there during the war. A slaughter of civilians, with a literally incredible number of dead, a number that you don't want to believe,

* Cominform, international information bureau of European communist parties (1947-56).

don't want to remember. Even schoolchildren and their teachers. And when you see on their little tombs their toys, and schoolbooks open with unfinished homework, you have to beg for mercy.

The horrors of the ruins of the ghetto were different, as was the sadness of the Ardeatine Massacre. Here there was pity.

From a distance you understand that it is true that people need the ability to forget to be able to live.

It was cold in Turin, despite being spring. A partnership agreement with Belgrade would be looked on badly internally and externally, by the press and by Rome. (It was not clear if Rome meant just the Italian government or also some of the Embassies. The US one was led by a lady, Clara Luce, whose political position was well known). It would still take some time for an executive decision to be reached in Belgrade.

"Don't rush, and don't interrupt". That was the Professor's view and his advice.

Indeed, a few months had passed with conflicting information. At the beginning of July we received the news that the decision had been taken and that a delegation would come to Turin at the end of the month. What could we do? It is holiday time in August, even they know that! In mid-July a telegram arrives suggesting that a delegation from Zavodi Crvena Zastava would come to Turin, including names and surnames of all the delegates.

What does Zavodi Crvena Zastava mean? It means that the Serbian arsenal to which we had supplied a motorised division had become an industrial complex. Barely fifteen years had passed, but only a few people could remember it. I have to state that the word "Crvena" was always pronounced with a hard "c" and "Zastava" had the stress on the second "a", but I didn't know that "Crvena" means "red" and "Zastava" means "flag".

"Receive them, hear what they want and if possible delay it".

He was justified by the fact that the offices were closed for August.

It was the last week in July. The delegation – two engineers, two lawyers and an interpreter – was in Turin, led by a general who was a national resistance hero named Voja Radić, the president of Zavodi Crvena Zastava. With the friendly and serious declaration made by General Voja Radić, it was clear from the first meeting that the aim was to reach an agreement, and work started right away.

There was already an agreement in place with Spain for the 1400 car, which was managed by Mr Vinea, who agreed to help me on technical problems with his team. Vinea particularly liked General Voja Radić and

during the informal meetings – which were actually very short, and very few – he got him to tell resistance stories. It was tough stuff.

The work went on, slowly and somewhat laboriously, in part because of the need for translation. At the end of the first week it was late in the evening after a long and fruitless discussion on a difficult clause. At a certain point General Voja Radić got up and slammed the table with his fist. “I came here to make a deal, not to hear technical debates between lawyers,” and he got up and left, followed by the delegates.

It was a restless night. We hadn’t wanted to cause a delay: it was a difficult clause. The next morning Voja Radić asked to see me: “You understood that I only want to move forward and did not want to show a lack of respect, either to you or to my lawyers”.

We went back to work and, while the secretaries produced copies and re-read files of printed paper, we went to Martinetto for a clay pigeon contest. Voja Radić was a good shot.

The deal was signed on the 14th August, the eve of the Feast of the Assumption.

Luigi Umberto Vinea – liberal and happy, on this occasion, to have worked with men from the heretical, communist world – wanted to add his signature to show his contribution, and out of solidarity. General Voja Radić and his men went home happy. It was nearly the end of the holidays and it was known that the Professor would be back in the office a few days early.

I took him the contract. Please take it to.... and he named a top executive whom I have never referred to – and we will talk about it again. The name was that of a man of noble birth and appearance, who was polite but with a politeness that kept you distant. A great hunter, and so we had met each other in hunting parties. The courtesy of the hunt was more open but remained distant.

“I have read the contract: you perhaps didn’t know that I was against it. And after having read it, I am still against it. A contract that has been signed has to be executed: you should tell that to the person whose job it is to execute it”. I had attached a note to the contract in which, giving wings to a standard account, I had asked if it were preferable to have Soviet submarines in the Adriatic ports rather than the more modest submarines of the dissenting Yugoslavs. There was no comment on my note.

The person who had to decide on how to implement the contract was the director of Mirafiori who, knowing the position of the top management, managed by naming two of his team members to take charge of putting it into practice. He didn’t refrain from remarking that it was not possible to follow the contractual terms and conditions on starting assembly.

The two men who were appointed, as often happens when working in difficult circumstances, worked passionately and were given full and enthusiastic collaboration at Kraguyevac. Our cars – well finished and painted by Crvena Zastava – left the former arsenal within the time frame and conditions set down in the contract.

In the autumn of 1954, before the 1400 CZ car left the factory, the Italian-Yugoslav peace treaty was signed.

Zone A disappeared, zone B and the FTT were replaced with a new border, and the Italian flag flew again above Trieste. There was a rapid change in political and economic relations, and a still quicker one between companies and people.

Let's all go to Yugoslavia! To figure out deals between companies, to fish for trout in the Slovenian lakes, to hunt pheasant in the great Croatian reserves on the Hungarian border. Yugoslavs from all regions gave a friendly welcome to Italians who had become successful economically and brought technology, money and a big appetite for enjoying themselves. An appetite for forests, waters and plains that hadn't been raped – Yugoslavia had these in large amounts compared with Italy, with a third of the population in a larger area compared to the Italian mainland.

I can remember a weekend trip driving from Zagreb to Trieste, most of the cars on the road and in the parking areas and – sometimes – on the edge of the fields, had Italian number plates.

In this situation of peace and friendship between peoples, with vivid memories of the massive suffering in the last war, and with a keen desire to live, to do things and to progress, it was inevitable that the idea of a popular car to be produced in Yugoslavia should arise. Where? At Kraguyevac, of course. Which model? The 600, *la sestotina*, which would be the car that was wanted and loved for years both within and beyond our borders.

Voja Radić had retired. In his place there was a dynamic engineer with great physical and mental strength: Prvoslav Raković, a deputy in the Skupstina. There was a licensing agreement and one to manufacture the 600 helped by the recent experience with the 1400 and by the new political climate.

Problems arose with the Yugoslav delegation and its head, Engineer Raković, on how to pay for the parts for the 600 supplied by Fiat as an addition to the parts made in Yugoslavia. At that time it was impossible to make every piece of a car in Yugoslavia. I can remember this because the problem went on for some time, but was always overcome by the mutual desire to work together and also the position of authority that the builder of the *sestotina* had assumed in his own country.

Kragujevac, the village-city, became a car town. New roads, new houses, new hotels, new services which grew up in the space of a few years. In that fiesta of work and renovation there still lived on the indelible memory, for those who had seen them, of the school workbooks left open on the hill.

The factory opening and the production of the first 600s with the ZCZ brand were special events in the partnership and friendship between



Grand opening of the Crvena Zastava plant: in the foreground *primo piano*, in dark double-breasted jacket, Prvoslav Raković, director general of the ZCZ from 1955 to 1974, and to the left, Giovanni Agnelli.

the two countries. There was lots of flag waving in every part of the city, drapes and flags around the big platform for the authorities and their guests.

Marshall Tito delegated the Federal Vice-President Aleksandar Ranković to represent him, and Professor Valletta gave his young vice-president, Giovanni Agnelli, the task.

National anthems and military songs were played by an elegantly uniformed band. On the platform for Fiat there were Giovanni Agnelli and the director of Mirafiori, and next to them the two technicians who he had designated for the work on the 1400 and who had continued the task for the 600.

Mr Raković signalled broadly for me to join him on the platform; General Voja Radić, under the platform, as still as a tower, grabbed my arm and held it harder and harder. Mr Raković, after reading the message from President Tito, read a vigorous speech with expressions of obvious friendship for Italy and gratefulness to Fiat.

We didn't step up onto the platform: I saw fat tears running down the face of Voja Radić.



Fiat-ZCZ agreement in 1968 signed by Engineer Gaudenzio Bono (right) and Engineer Prvoslav Raković (left); Riccardo Chivino is standing, second from the right.

I would like to salute General Voja Radić here with a recollection of his thumping the conference table. It was the gesture of a man who believed in his mission.

Lunch at the factory. Ranković headed the table, with the typical haircut and look from communist nomenclature photos. We saw the battles to sit in that position. It was said that he didn't smell of roses because he was too ideologically close to the Soviet Union, and had remained so after the 1948 split.

Giovanni Agnelli was in that place, at that time, simply because of his inheritance and the natural gift he had to feel at home in any situation and to immediately make himself liked. In this case he made himself liked by the wife of Ranković, who was sitting next to him. She was young, beautiful and spoke fluent English; they talked a lot and the lady couldn't help smiling and laughing openly at the conversation of the friendly young playboy.

Mr Raković would develop his CZ with courage and perseverance at Kraguyevac, inside Yugoslavia. He sold an equity stake to Fiat and the International Finance Corporation (a World Bank body), albeit a modest one, in CZ, which was not an easy thing to do.

During the era of the non-aligned countries, Egypt, India and Indonesia together formed a strong group in terms of population and natural resources. These countries took the line that resources should be used rationally and together, and that work should be spread on equal terms between East and West: this meant that Mr Raković took his CZ to Egypt – where it was called Eghipat – and Indonesia.

With Yugoslav political power and Fiat technology, he was bound to win. He travelled to Egypt and Indonesia and never tired of explaining the great development possibilities that his idea had. Returning from Jakarta he described the beauty of the landscape, the generosity of the people and also the festive welcomes. Nocturnal dances in the woods, with young girls as light as butterflies, dressed only in crowns of flowers on their heads and on their slender hips... Dearest Raković, it was even more difficult than buying some of your shares.

Nasser* died when he was still young and in sweet Indonesia the revolution arrived with a massacre of the communists. Dramas.

The farewell to Raković – when he left his CZ which was no longer called “red flag” but just Zastava, “flag” – was not as emotional as that to Voja Radić, but it showed the great respect for a man who was strong and loyal.

* Second president of the Arab Republic of Egypt (1956-70).

Over thirty years I travelled the length and breadth of Yugoslavia: forests of ancient oaks, broad plains in Croatia and the Banat without divisions or borders; travelled on foot in the search for forest animals which were born and raised in freedom, as nature intended; the Fruška Gora hills in the Vojvodina covered with vines and hidden caves, vineyards with good wines offered plentifully in friendly simplicity; and in the evening, down by the banks of the Danube I would look at the sky and wait for migratory flocks of wild geese, perhaps heading for the huge, wild and beautiful estuary where the birds of the rivers and lakes of Europe and Asia come together.

The Kalemegdan hill: how many evenings I climbed it to admire the sculpture by Meštrović, a statue of liberty given by France to Belgrade, “the little Paris”, and then upwards to reach the fortress, a testimony of Ottoman rule. From up there you can see the waters of the Sava mixing noisily with the waves of the Danube and you know that, under the lights of the city, ideas of a new society are also chaotically mixing, with people of different languages and religions brought together by a single new flag, under a charismatic leader.

I’ll interrupt the tale of the car factory to say that for someone who was fortunate enough to have been brought up in a hive of social-democrats and who joined a liberal socialist grouping as a young adult, it was only to be expected that I would look upon the red Yugoslavian flag with concerned optimism.

That flag had torn itself violently away from the flag of the Internationale, from the flag of dogma which had condemned the social democrats as being like social fascists, and defined the liberal socialists (who had fought the Resistance alongside them, in the name of freedom) a gang of deluded romantics, a nuisance and pests.

In Belgrade, at the time when the break with Moscow was taking place, I saw the face of a courageous people. There was a new economic strategy in the Fifties which a pupil of Professor Einaudi couldn’t manage to understand. It was the idea of Vukmanović, or “Time” (his *nom de guerre* in the Resistance); how much phrasing and re-phrasing there was in the search for a third way, far from that of the Soviet world and from the capitalist world of the law of the untrammelled pursuit of profit, until he reached the idea of factories under workers’ self-management.

Successes and failures, hopes and disappointments. How often Raković repeated that his country was a guinea pig: if they couldn’t do it, then there would be problems and sadness, and not just for us. Haul down the sail, haul it down quickly, we have travelled on impassable roads,

and it has become sad. Why does that surprise you? Have you read *The Bridge on the Drin*? Yes, but I was also in Sarajevo and also on the Drin in the Fifties, years of good fortune and hope.

I went to Sarajevo because the Bosnian railways wanted a railcar to transport Bosnian deputies to the Belgrade Parliament, the Skupstina, day and night.

In an off-road vehicle with an engineer from our railways and Milošević (I don't know if in Yugoslavia Milošević is as common as Rossi is in Italy). I know that his family owned marble quarries and that the white marble of the basilica with the royal tombs – that you see on a hill when you travel to Belgrade from Kragujevac – was supplied by the Milošević family.

With two punctures, and no spare wheel it didn't seem like a good idea to travel those roads by night.

The houses of a village were spread out. Milošević found a repair man because of a pile of tyres in a large courtyard. "He won't take long", said his wife who was friendly and asked us to sit down. She brought out white bowls and mixed honey and water in them. "You have to drink", said Milošević, "it's the tradition". The man arrived, repaired the tyres and refused any payment.

"They are good people, these Muslims", said Milošević.

At the railway offices they tell us that the president would like to see the project. Đuro Pucar Stari – President of the Bosnian Republic. *Stari* means "old". Tall, imposing, with big ears. And friendly. He carefully examined the interior arrangement of the railcar. The price is high. Slivovica.

The city recalls the East: people, customs, architecture, mosques; in the evening on the tables of the outdoor café, there are songs and Turkish coffee in copper cups – it reminds you of Istanbul.

It is a year after the railcar was delivered: parties, banquets and invitations to go hunting in fairly distant locations. Night-time trips in the off-road vehicle, bobbing around on roads with impossible potholes. We travelled alongside a river: it is dawn, we spot some fire and lots of people who were waiting for us in a large, freshly-cropped field. The river waters ran swift and clear just a few metres away: it was the Drin. They were awaiting us in a festive mood for breakfast before the hunt; they had been fishing overnight with nets and they were cooking the fish on the embers of their night-time fires. There are long wooden tables, just as we have in country festivals.

Bottles of wine and the grilled, smoking fish arrived. Everybody sat down at table. On the other side of the river there was a little hill, and in

the middle of it was a church. Next to the church was a large building surrounded by very green trees. I couldn't make out the species of tree.

"Is it a church?" "Yes, it is an orthodox church and monastery". "Is it still lived in?" "Yes, there are monks in there".

There is religious freedom here! Muslims, Catholics and even Jews live in harmony.

Black clouds have cast those lands into shadow. Looking back to the people I met on the banks of the Danube and its tributaries over the course of thirty years, even my mind becomes overcast: thoughts pile up, refusing to believe the events are possible.



■ CHAPTER III

■ RUSSIA

Togliattigrad: the city of Togliatti

This is the name by which the car factory that appeared on the banks of the Volga in the second half of the Sixties, where there once were meadows and forests of spruces and firs, is known.

An unexpected piece of news arrived on 15th August 1966: an agreement had been signed between the Soviet government and Fiat to work together on a car factory with an initial capacity of 660,000 units a year of the Fiat 124.

This caused a great stir around the world: the news even got to Australia. To them, the name Fiat didn't mean very much. *Fiat... what does it mean?* From that day on it meant a lot.

I will retell some of the events which will help to understand how we got to Togliattigrad.

My generation had a sense of big things when we thought of the Russia of the tsars and tsarinas, or the Russia of Lenin. Perhaps the limitless lands and limitless passions of the people that have inhabited them, from the Siberian snows to the olive trees of the Caucasus, have given wings to those who have described them and told their story. So when you meet a Russian, you imagine that he automatically comes with fragments of those stories.

My first meeting with a Russian was in the mid-1950s. The guest, a minister of heavy industry who had visited various publicly and privately-owned plants in Italy, and many cultural destinations and beauty spots.

Plump and good humoured, as practically all the first generation of big communist bosses were, he certainly appreciated his lunch and repeatedly raised his glass to make toasts. During one of these speeches,

after having apologised for getting involved in another country's business – which was also standard practice – he said with great conviction: “You live in a marvellous land with a mild climate and a wonderful sun, you have mountains, hills, well-cultivated plains and sea all around you. In this land you have had millennia full of art and civilisation which the whole world would like to see, to get to know and to study. You don't have iron, or coal, or oil – so look after the beautiful things you have and don't set up smokestack industries: they are ugly and belch out dirty smoke. And foreign currency? Visitors from all round the world will bring it”. I can remember the conviction of this call, made from behind a quivering glass, at a time when the power of a nation was measured in tons of steel.

There wouldn't be a single deal done between the USSR and Fiat until 1966.

People used to tell the story of an agreement to make a light alloy foundry, before the war, but it wasn't clear if it was Fiat or RIV (RIV belonged to the Agnelli family). And they even talked about the presentation of a railcar in Moscow, with the presence of Senator Giovanni Agnelli senior – again before the war. The man behind the diesel engine, Antonio Tabusso, became a Knight of the Italian Crown in recognition of this.

Half way through the Fifties, came the first suggestion of work proposed by the commercial attaché of the Soviet Embassy in Rome. The president of the delegation was Engineer Suskov, who we would meet again later in relation to the factory at Togliattigrad. The idea was to obtain a licence to build the 600 in a Soviet factory which had turned out a number of not very well finished cars for ordinary people. The talks failed. We weren't to see that factory created in the USSR.

The Soviet tanks had arrived in Budapest.

Emotions. An uprising of the conscience, even of the conscience of communists and those who were close to them. It would take years to forget, to be able to talk again.

The Sixties: new words of renewal, liberalisation. Khrushchev goes to the United States to bang his shoe on the table at the United Nations (when his lively, cheeky eyes appeared on the TV, one immediately thought of a naughty boy who had just got away with something in front of the tsarist police), but above all he saw an efficient country and he fell in love with the Corn Belt. He went home with big projects to modernise industry and agriculture, to reach and overtake the United States.

Please allow me to tell a joke of the time: a member of the Politburo

votes YES to catch up with the US, but votes NO to overtaking them. He doesn't explain why, but we then find out that he didn't want his broken trousers to be seen when he overtook.

In agriculture it was a question of starting to cultivate virgin lands, updating equipment and increasing the production of chemical fertilisers.

At that time there was a Piedmontese gentleman in Moscow, Piero Savoretti, who had got it into his head that he should introduce the Russians to products made by Italian industry, and also its capacity to work and to work in partnership. He promoted conventions, delegations and trade fairs which culminated in a large, completely Italian exhibition in which the largest and best industries took part. He had the approval and support of those who felt that it was good that "the curtain" was falling, and believed in being able to open up new agreements and partnerships. In Italy, Pirelli and Fiat were in agreement with this. The Professor particularly backed his agreement with encouragement.

There was also agreement and encouragement in Moscow, from the GNTK – the Committee for Science and Technology of the USSR Council of Ministers – and particularly from the committee vice-president, Mr Jermen Gvishiani. Agreements made with GNTK were the first stage, and the initial step towards coming together for later operational agreements. The agreements with GNTK were in no way binding, but were statements of intent to exchange information and research in particular sectors.

One of the first agreements with GNTK, in the West, came with Fiat, signed by Mr Gvishiani and the Professor. Mr Gvishiani, who was



Fiat-USSR Agreement, 1966.

reserved and a bit melancholic, gave the impression of being removed from changing situations, rather looking towards expected change and big projects: the son-in-law of Kosygin, it seemed that he had instinctively learnt from him that projects entailing great changes had always to be in the air in that house.

Two important episodes: the Professor's trip to Moscow, and Alexei Kosygin's visit.

The Professor was received in Moscow by Nikita Khrushchev: it seems that they agreed that collaboration was possible and would be positive. It was said that Khrushchev had told the Italian guests: "I am going to send Kosygin to you. Don't cheat him, he's a good man".

He arrived one evening at Caselle airport on a private visit.

"How is Professor Valletta? And Mr Agnelli?" (he pronounced "Agnelli" with a hard "g") "Will the weather be good over the next few days?"

He looked carefully out of the open window of the car: "There is the same smell that we have in our countryside in the air".

I was grateful to Fiat for having put me at that gentleman's disposal for three days in Turin and Genoa.

We had lunch with Avvocato Agnelli: we talked about the war and Kosygin said that the Leningrad factory workers slept in camp beds next to their machinery because they were no longer strong enough to get home. Even Avvocato Agnelli struggled with that image. At the end of the visit, everybody felt that our guest was a remarkable man, and that this boded well for our partnership.

I am not sure about how the events unfolded. I didn't take notes. I now regret it.

Some time went by before we were invited to Moscow. The subject of the visit: a special type of farm tractor and the project to construct a factory in the USSR to build it.

When I said I didn't have enough technical knowledge, the Professor insisted. It was not a case of taking decisions, but of understanding what the requests were and of determining if we were able to meet them.

Telling the story of an unproductive meeting might seem futile, but I will do so because of the extraordinary adventure of the trip to Moscow, and because of what would happen next.

"Shelkostechnika" (I have written it as it was pronounced), the body in charge of decisions on the mechanisation of Soviet agriculture. In front of me there were three absolutely enormous men. The size of Soviet agriculture had been passed on to the men who ran it.

The subject: a tractor for cultivation, 150 HP, hydrostatic transmission, weight, ground clearance, load capacity, etc., etc., and everything precisely specified. It was intended to sow and to spread chemical fertilisers. Ploughing was done with big tractors with caterpillar tracks, which were very widely available in Russia.

I can't remember the width they required for the tractors, I just remember being amazed.

The fields to be ploughed were in the virgin lands, which stretched out for kilometres and kilometres. It was a cold climate, and there were only a few days a year in which the work could be done. There was no tractor like it in Europe and not even, as far as I knew, in the United States.

According to the plan, output would start with 150,000 tractors a year, adding equipment within four years. Given that we had to start without a design, a rough estimate of the time needed for planning, for prototypes to be built, for lab and field testing, four years are barely enough.

The three giants shook their heads, and asked me if Fiat was able to undertake the project like that.

Even to me, without being a technician, the problems were clear, but the answer was obvious.

The planners could do the work, but their output is determined by what we ask of them. And we would have to put aside a number of projects that we have programmed.



"Illustrato Fiat" cover, September 1968.

I thought that the three of them would agree, but they shook their heads again.

On the third day there was a visit to a kolkhoz.* Once more the dimensions were enormous – as was the disorder and the number of machines being repaired. We had lunch at the kolkhoz in a room next to a large dining room; the food was the same as those who worked at the kolkhoz, it was good and plentiful. The kolkhoz farmers walk and look at you as farmers back home do: they have a simple, vigorous look and are shabbily dressed.

I tried to put a question to the three men with me: “Why didn’t you invite the Americans? They farm very large areas; John Deere and International Harvester have machines which are much closer to what you are looking for!” They replied that America was a long way away.

Virgin lands, fields that go on for kilometres, masses of caterpillar-track tractors which plough and masses of fast wheeled tractors which spread seeds and chemicals. The three gentle giants shake their heads together and they know that the tractor they have described doesn’t exist in Europe and not even in the United States, and they know that the time frame of the plan cannot be met. They know that some of the money intended for mechanisation will be given over to chemical fertiliser factories.

A tractor like the one they described will reappear, we will see it again ten years later.

The car

It is the mid-1960s: the USSR is larger and has a bigger population than the United States, and it produces 400,000 cars a year. The *Volgas* seen on the streets of Moscow, or on the television, are large, black and old. The people in charge of the Plan thought about it and made their calculations based on a political decision.

The USSR had overtaken the United States in space, but it had been left somewhat behind on the ground.

At that time the United States manufactured 10,000,000 cars a year: GM, Ford, Chrysler. Too large, and America is still a long way away.

Fiat made 1,500,000 cars a year, and wasn’t so large, and Italy didn’t seem so far away.

Khrushchev was dismissed and sent into retirement. Kosygin became the prime minister and a member of the new triumvirate. The agreement with GNTK on the exchange of technical-scientific knowledge was applied

* Collective farm.

and meetings between delegations became more frequent, and more energy was put into them. The Russians tended to know what Fiat stood for, and the openness of their top managers, the Professor and Giovanni Agnelli junior – above all once he had been made president; the Professor, who had been named honorary president, kept a few roles, such as overseeing the agreement with the Soviet Union.

The 124 was the car of the year: people liked its specifications and performance. A debate raged over front or rear wheel drive; at that time rear wheel drive was favoured internationally.

There was discussion amongst the top Soviet economic and political leaders on the number of cars to make, and thus on the size and equipment needed in the factory. The place where it would be built had been chosen: Stavropol' (if I remember correctly), a city which was left half submerged by the building of the big Volga dam. I have a vague recollection of houses and a little church, on the slopes of the hills called Žiguli which had survived the submersion.

Italian cars were doing well. We didn't hear anything about the Germans: but the DDR was also perhaps a source of problems. Renault is not a turn-key supplier as far as production is concerned, unlike Fiat. The French value the relationship with the USSR very highly, but are perhaps a little bit too haughty (that's a personal opinion). The English use feet and inches.

May 1966 arrived, and with it the visit to Turin of a delegation headed by the Automobile Industry Minister, Mr Tarasov.



Work at the Togliattigrad plant, 1972.

A document of intent is signed: it is only a page long. The signing, which had been set for 4pm, was moved back to 6pm. Different conclusions were drawn: the minister, who was very happy, had overdone it with the toasts, but at 6pm we saw him looking calm and happy. Somebody inside Fiat wanted to make the document public; the opposition to that was backed up by the Soviet delegation's negative view of it. The agreement that followed would also be made in great mutual secrecy, and consequently it surprised everybody in mid-August.

June 1966: the announcement of the forthcoming arrival in Turin of a large delegation from the Commerce and Automobile Industry Ministries, with technical and legal experts, and an economist (that's what they called him).

The car is the Fiat 124, strengthened for the Russian roads; the amount was to be 650,000 a year. The location: meadows, spruce and birch forests on the banks of a great river. The deals which needed ironing out: the car manufacturing licence and the factory project.

The Soviet delegations had been given a leader who answered for everybody, who was solemnly addressed as "president": it was Mr Suskov.

The Fiat delegations consisted of two people who were always present at the meetings; the others had to wait in their offices, ready to produce whatever was asked of them.

Mr Vincenzo Buffa was with me, the number two of the automobile group, who would produce – in the space of a few days – a huge amount of data and calculations which were needed to fully understand and define the work that needed doing.

This would go on for thirty days full of work, which also extended into the night.

The different nature of the institutions, and thus of the rules, which the parties had to take into account were the cause of a few difficulties, which were overcome thanks to the good understanding and trust which was quickly confirmed by the two sides. Two examples: one involving procedure which occurred at the beginning of the work, and one of substance, at the end.

The evening that he arrived, Suskov gave me a sealed envelope. It was a draft.

The next morning, with the pleasantries over and as work began, Suskov proposed working on the draft. We had also prepared a draft, and I gave him several copies of it in Russian; it was written based on past experience which had led to good results.

Suskov and all the delegates retired to an adjoining room, which were set up for the delegation's internal meetings. Time passed. They

came back in. *Niet*. They insist on using their draft. Our request was not a formal one. The Soviet draft was the product of several authors, who were not experts in the material. Maybe they were present, and were supporting their own work.

After two retirements to the side room, the proposal of using the two texts was accepted. Work was to focus on our Fiat text and, when a clause or condition was fixed, it was to be checked with the Russian text to see if anything was missing, or conflicting.

The Russian text was not opened again.

There was significant discussion on guarantees and penalties. Suskov said: "And what if the cars we make were not to have the same characteristics as yours?"

There was a long debate, which produced a simple conclusion that I will sum up using these words: if you accurately follow all our instructions in building the factory, and also in making the cars, etc., etc., Fiat guarantees that the cars will be (and here I do not recall the adjective we agreed on) in line with the quality and characteristics of the 124s produced in its own plants.

The discussion on penalties was more difficult.

Suskov said that it had to be included because of the laws of his country.

And meanwhile a member of the delegation arrived: he was late because he had been in Canada to close a big grain purchase. He has a crippled arm, because of a recent stroke, but he is brave and knowledgeable and he would give us a lot of help.

Finally it was decided that in the particular circumstances of this agreement, a penalty clause could become damaging to whoever wanted to activate it rather than provide protection.

But there was no agreement reached on the cost and expenses of the Fiat personnel to be sent to the banks of the Volga.

Suskov, against the advice of some of his people and that of the lawyer who had arrived from Canada, insisted that it should be included in the total amount – which was yet to be decided – for the licence and the factory project.

Apart from the fact that it was impossible to establish in advance the number and type of people that would be required over a three-year period (for the building work, the general machinery, the start-up process for the machinery and equipment and beginning production), the Suskov proposal was a financial risk to Fiat, and meeting the obligations could have become a major problem over time. But if it were the Russians that had the obligation to request Fiat personnel when they were really needed during the three years and had to pay their costs and expenses, that would limit the demand to what was strictly necessary.

I told Suskov in private that this was a trap, and one which could start a disagreement while the agreement was being implemented; he got nervous, as he generally did when he was in difficulty. He reminded me that we were not writing a contract but a general agreement between Fiat and a Soviet ministry. Ministries can make agreements, but not contracts. If they said yes in Moscow to the overall agreement, a body would be set up which was authorised to sign the contracts on the basis of the agreement and to implement it.

I felt all the more reason to not give in. The delegation left and seemed happy with the work they had done. They said they would see us again in Moscow soon, without saying exactly when.

At Fiat there was hope that things would turn out positively amongst those who had taken part in the work, either directly or indirectly. There were a lot of reasons why we were hopeful. I had many: I would see Moscow again, and get to know it better, and perhaps Leningrad too; I would see endless birch forests, lakes and other rivers. I would see the people and would try to understand if communism had changed their deepest nature. An act of peace in a cold world. A small step towards people's



The Automobile Industry Minister Alexandr Mikhailovich Tarasov, for the USSR, and Professor Vittorio Valletta, for Fiat, sign the 1966 agreement. Amongst those in the second row is Avvocato Giovanni Agnelli.



Two moments from the signing of the Fiat-USSR agreement: Riccardo Chivino is standing, first right.

freedom. I remember what a generous companion from the Resistance used to say. Don't be so anti communist. When fascism is beaten and the war is over, that world will take great steps forward towards liberty and we must do the same towards social justice.

That innocent and generous companion fell in the Ardeatine massacre, and I was there confronted by a case which seemed to me to be a start towards that liberty that was hoped for.

The number one in the automobile section possibly also shared some of my optimism. But the Russians in his workshops didn't. At the end of the first week of work, he asked to see me. This contract shouldn't be signed: outsiders cause a disturbance in our factories, they make us waste time and work. Sometimes a modification, an urgent improvement, is first put into practice and only then written down. But the Russians wanted everything, and they wanted it to be perfect, first time around.

A serious, principled man, he was not against the idea, but he was concerned about the work in his workshops and as to how his people would fit into the demands of a world that was so different and mysterious. He was coherent. He didn't take part in the talks in July, he didn't come to Moscow for the signing, didn't come three years later to Togliattigrad for the opening, but he did allow his deputy the scope to operate without any limits at all.

One high-ranking manager, however, could only see things in a negative light. He came to bring me a large amount of data relating to his area early one morning, under the offices of Piazza San Carlo, where the meetings with the Russians were taking place. In front of a cup of coffee, in the Lancia pub which was there on the corner, he began: "How are the talks going? If you want my opinion, this operation is an operation similar to that of a hen who wants to make an egg bigger than its bum hole!"

I thanked him for the encouragement. "You should come and present the documentation to the Russian delegation".

He refused, but the documentation was well prepared and complete. Those who got angry about everything were silent, they were asking themselves if it was really true that the Professor and the Avvocato were in favour of it.

The Professor read the text of the general agreement. "That's ok. Do you think it will be ready for August?"

"It is not the first time, Professor. The signing with the Yugoslavs from Zastava was on 14th August, and we signed with the Poles from FSO on 24th December".

We were invited to go to Moscow in August. As well as Mr Buffa and me, the Professor took the lawyer Carlo Cavalli to Moscow with him. Cavalli was an expert on Chinese issues, after having worked there for a num-

ber of years: he had the look and behaviour of a consummate diplomat, and knew how to form part of a delegation.

There was a stop-over in Warsaw. A walk through the airport with the Professor. He said he had talked it through with the Americans, and that he hadn't heard anything against it. Our government was in favour of it. I thought it would be good for Fiat if the agreement were signed.

The welcome in Moscow was cordial, but formal. The minister, Tarasov, was at the airport, and he immediately left with the Professor in a Volga. There was Suskov and others for us. No border controls. We went to the Sovetskaya hotel, which had a certain *ancien regime* solemnity: it was difficult for me to get to sleep in that bed, imagining how many communist bosses from East and West had spent happy, or fearful nights there.

The next day was a Sunday. Boat trip on the Moscow canal. The Professor was on the deck, and knotted a handkerchief around his head and took the sun on a deckchair. Caterina, the nurse who followed him everywhere, was concerned. We go past a speed boat with two or three people and an old lady. The Russians waved enthusiastically. It was Mrs Nina Khrushchev. "You see", Suskov said to me, "how democratic we are?" I don't understand.

All kinds of boats were racing up and down the canal. People were in a party mood. It was a splendid August day. We moored at a jetty on the banks of a great park. There were some splendid trees, which were well looked after; in a field the younger ones were playing badminton. The Professor wanted to have a swim in the canal. Caterina was horrified and asked for help. The Professor resigned himself to not doing it. We were in the parkland around a beautiful dacha, but they didn't tell us who the tenant was. Somebody murmured: "Kosygin".

That evening there was a brief work meeting in the hotel. Somebody had put the word around that the Japanese would be ready to accept what the Russians had agreed with Fiat in July, but reducing the payment by 50%. I believed I could say that it wasn't really plausible, given the stage of the work that we had reached. The money we had asked for had been the subject of tough analysis from the delegation in Turin, and even without that our formula for personnel costs was not something that we could give up.

Savoretti arrived, and as always was very attentive, but this time he was also anxious. Suskov also arrived. "If it suits you, we will wait for you tomorrow morning in the office block where the Foreign and Foreign Trade Ministry has its headquarters".

Perhaps it was because of the rush, but I can't remember anything about the outside of the ministry building.

Inside, on the ground floor, lots of people stood in front of the lifts; they were spacious, but noisy iron cages. Is this how Gromyko and Patolichhev go to the upper floors?

Suskov made a sign as if he agreed. I can't remember the number of the floor where we were heading. They put the Professor in a room where Tarasov was waiting for him.

We walked into a huge room with a great big oval table, around which the delegates who had come to Italy in July were seated, and a few new faces. Their lawyer (the one who had been to Canada) was missing. He was not well.

There was an exchange of courtesies, then we sat in silence and looked at one another.

I brought out the texts in Italian and Suskov followed me with those in Russian. The Italian one was to be the binding one. Another half-hour went by, and out came the Professor and Tarasov, smiling.

They asked us to write in the figures agreed for payment, and to agree a text for the reimbursement of the cost of the staff that Fiat would send to the Soviet Union, according to programmes that would be established in the work process.

It would be the Soviets' job to provide lodging for the Fiat personnel (the hotels and the town on the Volga banks were yet to be constructed). The Russians applauded warmly for a long time.

Buffa and I clapped unenthusiastically (in Turin we had really struggled to persuade the delegation, and that gentleman they said was an economist, that the sums we had budgeted for were scrupulously correct).

The signing would take place at 4.30pm in the Congress Palace on Lenin Hill.

The Professor went back to the hotel. The Russians moved to the exit. "We are going to have lunch, we'll do it afterwards", said Suskov. It was pointless grabbing these Russians by the lapels, they seemed to have gone mad. We returned to the oval table at 3 o'clock with Suskov, the economist and two lawyers.

In Turin I had already prepared the text that needed to be added, but Suskov shook his big head. "A couple of lines will be enough", he said. With Buffa completely in agreement, we managed to have our text included, but there wasn't time to transcribe it fully, and off we went to Lenin Hill. Here too the rush we were in has not left much trace of the palace in my memory, but I still have the image of a large white staircase.

If you think of what you have seen on television, of nomenclature men lined up in rows on the platforms, when there are official events. Well on that August afternoon, at the bottom of the white staircase, a

small part of that nomenclature was lined up to wait and greet Professor Vittorio Valletta.

Going up the staircase, I too became a little bit emotional. Buffa looked relaxed. I can't remember how Di Cavalli was. Savoretti's smile, which was always wide, reached to his ears.

Everybody was received in the great Congress Room. The Professor and Tarasov signed on a small table in the middle.

Speeches, comments made to the various television channels, confusion, camera flashes, a jostling of arms and microphones.

Behind me, the president of the commercial representation section in Rome repeatedly tapped me on the back and asked me three times if we would finish the contract off after the ceremony.

With the flashes and noise over and the media people gone, part of the wall was slowly taken away, moving silently on rollers. There was a long table, all decked out, under some very beautiful crystal chandeliers.

With no feeling as to how much the tablecloths, crockery and glass were worth, I heard Buffa say: "It was inherited from the Tsars". I found myself sitting next to a gentleman of the hierarchy who smiled but didn't talk, and a man with a burly build but a face which oozed congeniality. I found out that he was the Deputy Foreign Minister and was in charge of relations with the Chinese. He toasted repeatedly, and without compunction. He also did so when they served us white partridge stew. The vodka was excellent.

The Professor, who was in front of me, reminded me that we were yet to finish our work. Staying sober is not well thought of and so I can say that it was the other man who stopped, so we didn't finish under the table.



*Interior of the
Togliattigrad
plant, 1970.*

We went back to the hotel with Suskov. There was a pathetic scene. The Professor was sitting in an armchair and had not turned down Caterina's offer of a light woollen blanket. He was tired but always vigilant. Suskov and I finished off the job sitting in front of him on two low stools.

I couldn't sleep that night. Images and thoughts mixed together. My village also came to mind, the white road and a little boy who followed, with others, a car in a cloud of dust. The open-top car still looked like a horse-drawn cart. It was the only one in the village and its surroundings and it was driven by a gentleman wearing a peaked beret. It was Count Valperga di Masino, who was going beep-beep with a horn attached to the windscreen to keep us away.

The next morning we left. This Russia, tsarist and Bolshevik, with the vastness of its lands, forests and waters turn the events and people who inhabit it into giants.

Gaudenzio Bono was waiting for us at Linate Airport in Milan – he had been pretty much absent until then. There were the media and Maria Rubiolo embraced me and handed me a stack of newspapers.

I went straight to the countryside and to Maglione: there was my grandfather Stefano, looked after by Adele and Teresa.* He wasn't well. They celebrated my success. My mother was in Sardinia with Maddalena and her boyfriend, Bettina was at Megève.

The story of the general agreement ends in mid-August with the signing in Moscow. In the autumn would come the transcription of our contractual obligations to the Russian API organisation, which had just been created by the signing, and for their implementation over the following three years in Turin, Moscow and Togliattigrad.

Before recounting a few particularly important or colourful events from this time, regretfully I have to look back to the August of the following year, 1967.

The Professor had gone to Forte dei Marmi. The day before leaving he signed for me, with an ill-looking smile, a letter for minister Tarasov concerning the second motor for the car.

One morning a few days later in Maglione, Adele told me with tears in her eyes: "Professor Valletta has died. They would like you to go back to Turin".

So many people, and so much sadness amongst the factory workers. The Russians didn't put in an appearance.

A few days later Adele said to me: "Turin have called, from the president's office. They want you to go back immediately".

* The cook and the maid.

From the gates of the Monumental Cemetery a small cortege set off in double rows. At the head was the Soviet Ambassador in Rome and Avvocato Agnelli, behind them Suskov and I, followed by Maria Rubiollo and a Russian Embassy official with a laurel leaf wreath. We walked quickly, in silence. Avvocato Agnelli limped slightly on the gravel. Sometimes we seemed to fall into step with one another. The Ambassador places the wreath.

It took Moscow a few days to decide on this public-private act of recognition of the man who, at the end of his life had felt his mission to be that of opening a dialogue.

Some of the events that followed the Fiat-USSR deal may deserve to be recalled.

In the first few days the space given to it by US newspapers was really limited compared with the European press, but surprise, curiosity and something of a benevolent consensus emerged. When the preference for buying some machinery for the project from the USA appeared, the Russians would ask for deferred payment, like that they had obtained for making purchases in Europe.

The question went to the US Congress. They sent a delegation of three congressmen on a fact-finding mission to Moscow and Turin. They came to Turin on the way back from Moscow to talk with Fiat and with the Russians in charge of the purchases, who were already working in Turin. I



Togliattigrad, 1970.

can remember a happy occasion before their departure: Americans and Russians, happy and friendly, exchanging toasts. The Americans said they were personally in favour of supplying and offering credit terms “John, think what the factories in your state could supply!”

With the final toasts, we had to ask ourselves if the Americans wouldn’t have happily agreed to the Togliattigrad deal themselves.

The congressmen went home and hammered away in Congress, but they didn’t get the credit authorised. Permission was only given for a few machines to be exported to the Togliattigrad plant, but even this was an exception in a world that was still closed off by vetoes.

The French press was careful to paper over the obvious disappointment that the Russians hadn’t chosen the country that had most deserved it. President De Gaulle paid particular attention to Moscow: it was Europe beyond the Urals. It seems – and this has been confirmed by reliable Russian and French sources – that General De Gaulle summoned the Renault boss in for a debriefing, and reproached him for not having done what the silent, stolid Piedmontese had achieved. “Go to Moscow”, he told him, “and try to get an equally-important deal”.

The Russians welcomed him in Moscow with open arms, and said that they wanted a radical update for the *Volga*, which had been delayed by lack of money because it wasn’t included in the plan.

The whipcracking De Gaulle loomed threateningly, and even the Russians wanted to let him down gently.

Studies, projects and prototypes made by Renault at their expense, with the involvement of experts from the Moscow factory, without payment.

There was to be preferential buying from Renault (with a compatible model, and the inclusion in the plan of the sums necessary to make the purchases) of the equipment, machinery and tools to build the updated car. Renault had factories which were just as specialised as Fiat’s.

Those were the payments for the costs of modernising the *Volga*. The deal didn’t have the same impact as the Togliattigrad agreement; despite the ability of the French, it was a difficult story to tell.

When he reached the end of his work with Fiat, the president of the body which had been instructed to follow the agreement with Fiat (Mr Anatolij Butko), moved to Renault. I saw him there later, and he told me that he wasn’t happy. A gentleman from Renault asked me for an opinion on him: able, honest, rigorous. When we gave him our offer, he already had offers from others for compatible products, and the preference was determined by the best price amongst the competitors. *Les affaires sont les affaires!*

The Italian press, however, was euphoric about our success, and there was even some exaggeration, especially in the headlines. I can remember one of them: DEAL OF THE CENTURY. The Italian communists were lukewarm and silent about it. That communism's great homeland should have had to turn to capitalists to make a modern car in a factory with capitalist shifts, rules and methods was, to use a slang term, a difficult pill to swallow.

The US Congress refused the credit to the Soviet Union, and our communists would have wished for a similar result in the Italian Parliament.

The implementation of the agreement basically took place in the three-year period 1967-69. Vincenzo Buffa delegated day-to-day work with the Russians to Mr Carlo Mangiarino and I appointed Mario Camillo, a *geometra*, a kind of surveyor. When I introduced him to Butko, I remember him raising his eyebrows.

"Doesn't 'surveyor' mean that he measures out the ground?"

A month later he thanked me for my choice.

What I most remember from these two colleagues was their professional competence, their commitment and the respect and friendship that they were able to win from the Russians. There were hundreds of Fiat technicians who worked in Turin and Togliattigrad and hundreds of Russians who came to Turin. All of them were good, and proof of this is that – emerging from the meadows and forests that were on the Volga at the end of 1966 – the 124 car began production at the end of 1969.

I don't believe in the conjunction of benevolent stars, but in this instance you could really say that was the case.

A priest who went to Togliattigrad to attend to religious needs and as a voluntary worker has retold all number and kinds of incidents of this meeting of men in a book.* It was less difficult to get the permission for the priest than it was for the wine. The Piedmontese technicians who spent a long time living in Togliattigrad continued to demand Barbera and Grignolino wine on the canteen tables, to remind them of home and Sunday trips out to the Asti hills or the Langhe.

It took Mr Butko's great understanding and authority to manage to bring over, illegally, some Barbera d'Asti and even a little Barolo for special days.

One evening at Togliattigrad with Mr Bono, I wanted to see how the work was progressing and to say hello to his men. We were invited to a celebratory dinner with Russian and Italian flags intertwined on the

* Don Galasso Andreoli, of Modena, *Cappellano con la Fiat a Togliattigrad*, 1991.

tables, and a long line of bottles of Barbera and Barolo. The Barbera kept its qualities well, but the Barolo didn't. There are wines from the warmer parts of Russia that are nearly equal to our own. But the label on the bottles reminded us of home.

After hearing this story, you shouldn't get the idea that the problems only involved the priest and wine.

There were lots of them, and they were bad.

In August 1966 we were already in the Brezhnev era, but the agreements had begun on the crest of the long wave of the Khrushchevian spring, and with prime minister Kosygin – the man who, with his team, wanted to modernise and liberate the Soviet Union, which had emerged from the tragic Stalinian epic. The men who made the Togliattigrad agreements, on both sides, believed they were working for a worthy cause and worked with a strict lack of personal interest. Fiat technicians and experts worked alongside Soviet technicians and experts, all of them with great professional ability, and all inspired by the desire, the ambition to create the great project within the agreed time.

Within a short time thousands of Russian workers, who had come from every part of the Soviet Union, had created a huge building site, overcoming the winter freeze by blowing warm air from old aircraft engines on the wet cement.

These are the kind of things that made us believe that the stars had aligned in our favour. After a few initial attempts, even those who had only seen the negative side stopped trying to put everything in a bad light.

One of these people, somebody high-ranking who was straight in from the USA, told the Professor that the newly-appointed director of the Togliattigrad factory had the same surname as a famous Russian spy. I asked him the first name of this famous Russian spy. It was written on a business card: Alexander. My man's name was Victor. In the Soviet Union, the surname Poliakov is as common as Rossi is in Italy.

Another high-ranking person protested to the Professor about the choice of the name Togliatti for the city which was being built next to the factory. He said it was a slap in the face for Fiat. It turned out that they had looked for the name long before there was any agreement on building the factory.

Suskov, who noticed this, asked me one day: "Are you really happy with the Italian name? What would you have thought if the computer had chosen Dimitrovgrad?"

No, Dimitrovgrad didn't sound right.

So they were appeased and even happy because they had heard that the Soviet Union was behind, some said by ten, others by twenty years, in car-making techniques and technology, and that at the end of the Sixties it would have a capacity of one million cars a year, compared with ten million in the USA.

But there were to be no friendly stars for the farm tractor for the virgin lands. Remember that?

At the beginning of the Seventies a colleague, who was in Moscow as a tourist, visited the Sokolniki park (a permanent exhibition of the feats of the Soviet Union), which was designed to showcase agriculture, but now has everything, from ploughs to combine harvesters, from bicycles to Sputniks.

In recognition of their origins, on the entry arch, there is the statue of a farmer who clasps a clump of wheat ears to his powerful chest. It is said that one morning they had found the clump covered with a cloth. Underneath there was a placard: SOWN IN USSR, HARVESTED IN CANADA.

The colleague's note said: "At Sokolniki there is the prototype of a 150 HP farm tractor, model MTZ142, with exactly the same characteristics as the virgin lands tractor they asked you for 10 years ago".

Not long after the note on the Sokolniki, Moscow sent a proposal for a project for a factory which could produce 150,000 tractors a year, with the condition of a partnership on the fine-tuning stage of the tractor which was to be built, called the MTZ142. A new Togliattigrad! There was no lack of good intentions. Technicians and experts worked together and agreed that the changes were not advisable. The MTZ142 is possibly still on display at Sokolniki.



Avvocato Agnelli at Togliattigrad with the engineers Bono and Buffa, during the 1960s.

These are secondary issues in regards to the great achievements of the USSR, but they are things which lead us to reflect, as do the relationships we had with Soviet men with whom we have worked.

They didn't belong to the nomenclature that we see on television, on the VIP platform in Red Square, at the imperial parades for the October Revolution: they belong to the second and some to the third line of the nomenclature, but they represent it just the same.

They are well trained, serious in their work, modest in their lifestyle. It makes you think: but they must have hand-picked these guys out of the pack. You have met them often as hosts, sometimes in country houses.* Simple people, happy with country-style hospitality, without too much formality. The only formality was provided by the *carabinieri* who parked in the black locust tree wood from their arrival to their departure. But it was like that: our people at Togliattigrad had difficulty in getting permits to travel. The Volga power station didn't just produce electricity for the car factory, but also for long-range missiles.

They liked Italian food and our Adele and her *agnolotti* pasta were so warmly toasted at an official lunch in Moscow as to make me seriously embarrassed. They went on trips where they competed to catch the biggest fish; there was also a winter fishing competition, with holes in the ice, as was the custom in the USSR. They played boules badly, but were really determined to win. It seemed as though they didn't play boules in Moscow.

In over three years, in private and work meetings, the words "communism" or "democracy" were never uttered. The word "strike" was banned even: in the contracts we paraphrased... There was just one exception, during the fervent autumn of Sixty-Eight: the strikes had caused delays in making the machinery and they told me how the problem would have been solved back home. Perhaps, was the answer, we might even have strikes in our country in a few decades.

A second incident involved the freedom of electoral advertising.

I saw Mr Butko coming towards me with raised eyebrows: "They are making a platform underneath our windows, and they are saying it is for the fascists and that Almirante was going to make a speech there". "It is not a provocation, Mr Butko, Piazza San Carlo is the normal place to hold electoral rallies and they always put the speakers' platform there, under your window. It is one of the rules of democracy that all parties are free to hold rallies".

There you have it all, in over three years. You can reflect on that too.

* At Maglione, in the Canavese.



■ CHAPTER IV

■ WARSAW, MOSCOW AND BELGRADE

We are in the first half of the Seventies. At that time my work at Fiat ended.

Giovanni Agnelli junior, who had been president for a few years, decided to travel to Poland, Russia and Yugoslavia and he took me with him on his various trips.

Warsaw

The Warsaw I had seen twenty years earlier – with General Rokossovskij, Polski-Fiat still in ruins like the nearby ghetto, of the outbreak of war in Korea which threatened to ruin the reconciliation contract after the agreement to make the 1100 was broken – have all become distant, rarefied memories. Now the Gierek government is in power, the 1500 is being made and the war is in Vietnam.

Avvocato Agnelli, who had the ability to ask embarrassing questions, said: “What do you think of the war in Vietnam?” The Poles didn’t even know where Vietnam was. “We hope it ends soon. It also causes difficulties in Poland”.

The twenty years that followed would see General Jaruzelski, Gdansk, Solidarity, a Polish pope, Fiat as a share owner which took part in running the factories, and there would be Polish-made cars on the streets of all the countries in Europe.

Moscow

We were at the Sovetskaya hotel: we had the afternoon off, and it was the World Cup in Mexico.

“The television in my room doesn’t work very well. Could you try to get them to change it for me?”

They immediately brought a television which was straight from the packaging to the Avvocato's room.

"Come and see the match in my room." In shirtsleeves, he was both amusing and enjoying himself, and I could see how competent and passionate he was.

The next day Kosygin was supposed to receive us. To get to the office of the President of the Council of Ministers in the Kremlin you have to go through a little door at the top of three or four simple steps. At the door there were two women, neither of them young, who were in a sober costume with a handkerchief tied at the neck, like farmers.

They asked: "Who are you? And who do you want to speak to?"

One of them went away and shortly afterwards nodded a "yes" and accompanied us.

Avvocato Agnelli had often met and entertained Kosygin when he had come to Italy as vice-president of the Council, and Kosygin remembered this with friendly cordiality.



Avvocato Agnelli visits Togliattigrad, during the 1960s.

“Avvocato, have you heard the news from London? The Labour Party has won! Does that make you happy? Who do you vote for in Italy?”

“For the Republican Party”.

“Why?”

“Because it is a party with an opinion”

“Don’t you think you change government too often?”

“Yes, president, but perhaps it is better to change it too often than never”.

Kosygin didn’t lose his smile and friendliness, but he changed the topic and thanked the Avvocato for the partnership at Togliattigrad and said he hoped for new partnerships in his country’s great modernisation plan.

Not long afterwards Kosygin was also sent off home, just like his predecessor.

These days they sentenced them not to the firing squad, but to being bored to death.

The time of Brezhnev would come, and after a few brief tenures, the time of Gorbachev, the Berlin Wall, Perestroika and Yeltsin, who would talk of the market economy and would rebuild churches.



Interior of the Togliattigrad plant during an Italian visit in the 1960s.

We would see the survivors of that time in Turin at the thirtieth anniversary of the 1966 signing

Suskov told me: “Did you know I was sent to prison? With my wife. I could stand it, but my wife couldn’t – she died. I went back to work”. He looked at me with enquiring eyes, and his indefinable smile. He was still the strong Cossack from the Don.

Butko took me by the hand and held it there for a long time, raising it from time to time, as if to say: “We did good, remember?”

Poliakov, who was first director of the Volga plant and then Automobile Industry Minister, gave a speech. He recalled the Sixties with obvious emotion, and he remembered Professor Valletta, Avvocato Agnelli and the men from that time. He encouraged his Russian colleagues present to repeat the Sixties. His voice was emotional, you could feel that something wasn’t going right at Togliattigrad.

Belgrade

Avvocato Agnelli had already been to Yugoslavia for the grand opening of the Crvena Zastava factory. He was curious to know about the people and the system there.

A sudden fever stopped me going with him to the meetings scheduled in Belgrade.

They told him that Marshal Tito would be glad to see him on Brioni. It was a splendid island, Brioni. Ancient Romans came to the island and left behind traces of their long-lasting works, nestled in the natural surroundings.

I remember the comment that Avvocato Agnelli made after meeting Tito: “He is a man of great political standing. He has set up Yugoslavia according to his political and economic vision, international relations, and seems to have included a touch of utopia”.



Avvocato Agnelli
visits Crvena Zastava,
during the 1970s.



I will never again see the Vistula and its forests which are crossed in the evening by the flight of the grouse.

I will never again cross the Moscow River on Russian boats in mid-August and I will never again see the Volga, the great dam and the little church on the Žiguli hills, which were spared from being submerged.

But I hope to see the Danube again, the Danube has stayed in my blood.

I would also like to climb up the Kalemegdan hill and see the waters of the Sava mix with those of the Danube, and see again an old friend or two who has survived, to understand what, distant and alone, doesn't seem real to me.

CONTENTS

PREFACE.		
IN THE FOREST OF MEMORY by Oddone Camerana		5
COMING HOME by Elisabetta Chivino		9
A PIONEERING STYLE by Paolo Bernardelli		15
FIAT IN POLAND, YUGOSLAVIA AND RUSSIA		
AS REMEMBERED BY RICCARDO CHIVINO		29
CHAPTER I	Poland	33
CHAPTER II	Yugoslavia	49
CHAPTER III	Russia	67
CHAPTER IV	Warsaw, Moscow and Belgrade	89



"I will never again see the Vistula and its forests...
I will never again cross the Moscow River
on Russian boats in mid-August...
But I hope to see the Danube again,
the Danube has stayed in my blood"